DHHS
OFFICE OF THE CONTROLLER

ACCESS

MENTAL HEALTH COST REPORT APPLICATION

USER MANUAL
FY 2008

WHO TO CALL FOR HELP

For questions or problems regarding what items go where on the Cost Report application, or technical questions on the application, call Bill Caddell at the **DHHS Office of the Controller, Rate Setting Branch.**

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	(919) 855-3680	**Susan Kesler**
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E-mail these individuals at **{Firstname.LastName@ncmail.net}**

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ACCESS COST REPORTING APPLICATION

WELCOME TO THE MENTAL HEALTH COST REPORT

INTRODUCTION

This is the 2007-2008 Cost Reporting User Manual. This is the seventh year using the Access Cost Reporting Process and the second year in using the redesigned application. The changes to the cost report application this year are minor compared to last year. There are still only four input screens to this application which should make it easier for private providers filing a cost report for the first time or Local Management Entities (LMEs) who have filed cost reports for years.

This manual has been developed with the new user in mind. Experience in the previous cost reporting process is not assumed but is referenced in order to make the reporting process clearer to the user. A general understanding of the cost reporting process is helpful, as is an understanding of the policies and guidelines governing cost reporting.

This edition of the User Manual accompanies the 2008 version of the Mental Health Cost Reporting Application. If you have additional items you would like as improvements for the next year, please let us know.

This manual covers the technical aspects of the Cost Report. By technical, we mean to say the introduction to and explanation of the application with respect to functionality and usability. Please review the entire manual prior to using the application. It will be time well spent.

THE APPLICATION

The Access Cost Report version consists of multiple tables of data values that are populated as the user enters information into the four screens. The data tables are used to produce the primary cost reports named Schedule 1s and Schedule 2. The application is also able to generate a number of smaller reports pertaining to allocations and displaying lists of data. One of the advantages of the application includes being able to access all the data elements entered by the user for data analysis and comparisons. Other advantages include:

-        **The Windows comfort zone.** With the world having converted to the Windows format, all of us are now familiar with the dialog box. Make a couple of choices, change a couple of options, and voila! For example, insertion of cost center is a snap, as is deletion (careful!).

-        Another advantage of the Access application structure is the consolidated data storage. Having all the data elements of the Schedule 1s and 2 in tables allows users to look at the data from multiple angles.

Before beginning the Cost Report, please look at the hardware and software requirements listed on page 14. Please be sure to meet these hardware and software requirements, otherwise difficulties could be experienced when using the application.

WHO FILES A MENTAL HEALTH COST REPORT

➢ Any provider who is direct enrolled with Medicaid and provides/bills CAP-MR/DD, mental/behavioral health and residential treatment services has to file a Mental Health Cost Report.

➢ For a list of these services, look at Appendix M of this manual. If a provider bills for any service on this list, a cost report is required.

➢ There is no threshold amount that will qualify any provider for an exemption from the cost report. If a dollar is billed, a cost report is required.

➢ There is no exemption based on the number of months a provider has been in business.

➢ To see if a provider qualifies to be exempt from filing a Mental Health Cost Report, check the Exemption form located on the Controller's Office web site (http://www.ncdhhs.gov/control/amh/amhcost8.htm) or Appendix F of this manual.

  o Private providers only need to check the reason for being exempt, sign it and send it to the Controller's Office. **No** written request for exemption is needed and **no** written statement of approval or denial will be sent.

  o LMEs need to send in a written request, a signed Exemption form with the reason for being exempt checked and a Provider Payments worksheet (Supplemental Forms workbook tab 9-Contract Providers, see Appendix L). A written statement of approval or denial from this exemption will be sent by the Controller's Office back to the LME.

➢ Cost Reports are due to the Controller's Office, 5 months after the provider's accounting year end.

  o The last Residential Treatment Cost Report was due to the Division of Medical Assistance on 5/31/08. Residential Treatment providers will now file the Mental Health Cost Report.

  o The last Excel version of the CAP Cost Report is due to the Controller's Office on 9/30/08. CAP-MR/DD providers will now have to file the Mental Health Cost Report.

➢ Extensions to a cost report's due date are granted on a case by case basis. An extension must be requested in writing with e-mail being an acceptable form. This request needs to include the following information: the providers name and federal tax ID number, the reason for needing the extension, and how much time is needed. Approval or disapproval of the extension request will be sent back to the provider with the new due date, if an approval was granted.

POINTS TO REMEMBER FOR 2007-2008

❑ Many issues are found during reviews of Cost Reports that could have been identified and fixed had the user gone over the **Accountant Review Worksheet** and **Cost Report Review Worksheet**. Currently it takes from 2 to 7 revisions for reports to be corrected.

❑ Communication with DHHS Controller's Office, DMA, and DMH is essential.

❑ A quicker response to requests for information is needed to expedite the cost report.

❑ For a cost report to be considered received, it must be accompanied by everything listed on the Transmittal Checklist (Supplemental Form workbook tab 1-Transmittal Checklist, see Appendix L). This includes the cost report data, an audit (or draft audit), financial statements or Comprehensive Annual Financial Report (CAFR), the providers actual units data, the Supplemental Forms workbook and any other supporting documentation like a crosswalk needed to tie the financial statements to the cost report. **For single county programs in particular, a sub-schedule tying CAFR figures to those in the cost report by cost center should be included with the required financial information.**

❑ **Administrative Non-Personnel costs should all be placed in an Administration Cost Center.** Administrative positions can be left in the cost centers they are assigned to even if it is a direct care cost center, but they have to be assigned to the Administration service on the Personnel screen.

❑ **Non-Unit Cost Reimbursement (Non-UCR) costs should be placed in the General Non-UCR service objective** even if the funds were used to produce units. Whenever possible, the related units should also be placed in the General Non-UCR service. The expenditures related to these funds should not be included in any cost found service for which rates are set.

❑ It is not intended that any administrative cost or position, as indicated in the Guidelines for Reporting Cost Types between Admin and Direct Cost of Care (matrix, Appendix J), continue to be found in the General Support cost center. The only costs placed in General Support should be costs indicated in the matrix as direct, but which the LME or private provider has not directly assigned to a particular service and wants assigned to all other cost centers.

❑ **Audit/financial statement figures in the "Total Expenditures" box on the Cost Center Expense screen should match the audit.**

❑ **When the audit/financial statements do not exactly match the Cost Report cost centers there must be a crosswalk from the audit to the cost report. See Appendix AE for an example crosswalk.**

❑ **The Audit/financial statement must support the Cost Report for all line items including Total Expenses by cost center.**

❑ The Audit/financial statement must support the Revenue by Source worksheet (Supplemental Forms workbook tab 8-Revenue by Source, Appendix L).

❑ Financial statements mean providing a copy of the Balance Sheet (or Trial Balance) **and** a Profit/Loss Statement (or Income Statement). Private Providers **DO NO**T have to provide an audit unless they already have one done.

❑ Units placed in cost found services, even on the "Units Above Contract" line should only be 2008 units. Units outside the fiscal year of the report should be reported in the "Non Medicaid Services" service.

❑ Do not place units associated with costs in "Non Medicaid Services" on the "Units Above Contract" line. The units associated with costs in "Non Medicaid Services" should be placed in the actual units

section under the "Non Medicaid Services" service and then be explained on the "Non Medicaid Services" form (Supplemental Forms Workbook tab 5-Non Medicaid, Appendix L).

❑ The Actual Units figure should represent all units for the respective service found throughout the Cost Report (i.e. Cost Found Units, Units Above Contract, any Medicaid units in the Non Medicaid Services service and General Non-UCR Expenditures).

❑ Always use the appropriate service applicable to the costs incurred or units provided – do not group with other services.

❑ If there are no Full Time Equivalents (FTEs) in a cost center that contain Non-Personnel expenses, add .001 FTE (or 1 or 2 hours in the Hours Worked column) so the application can assign costs to the service(s) on the Non Personnel Cost Assignment screen.

❑ Depreciation – month and year must be listed, descriptions should be detailed in order to validate with AHA Guidelines, and appropriately categorized as fixed or moveable (refer to AHA Guidelines). If departing from AHA Guidelines, add an entry on the Notes worksheet (Supplemental Forms workbook tab 10-Notes, Appendix L) clearly explaining why.

❑ The Contract Provider Information (Supplemental Forms workbook tab 9-Contract Providers, Appendix L) should include only those providers where the LME billed Medicaid for a provider and paid the Medicaid money back to a provider. Private providers do not have to use this form.

❑ Costs represented in the cost report should match the audit or financial statements as well as the units. The units should be for the dates of service provided during the organizations accounting year.

❑ CAP expenses should be appropriately placed in the CAP service objectives based on costs being reimbursable for the respective cost center.

❑ Capitalize all items costing $5,000 or more which have a useful life of 2 years or more unless the organization has a lower capitalization policy, in which case the organization's capitalization policy must be used. Please note the organizations capitalization policy on the Notes worksheet (Supplemental Forms workbook tab 10-Notes, Appendix L).

❑ Items fully depreciated before the current reporting year should be removed from the depreciation schedule.

❑ Non-allowable expenses need to be adjusted out of the Cost Report. Examples include, but are not limited to; reimbursed sales tax, client wages, cost of materials for workshops, event tickets for employees, and personal expenses for clients unrelated to treatment.

❑ Medicaid revenue for Clozapine, registration fees for classes provided and other items of this sort should be adjusted against the expenses claimed in the cost report just as the contract production expenses are. These adjustments should also include any reimbursement between LME and Private Provider for service or, between LME and counties and/or foundations for which expenses are claimed in the cost report.

2007-2008 COST REPORT FEATURES & UPDATES

✓ The Cost Report Application is in Access
  ✓ Can download the application from the Internet
  ✓ There will be two versions of the application
    ✓ a run time version of Access 2003 that needs to be downloaded and installed by users without Access or with versions older than 2000
    ✓ a version for users who already have Access 2002 or higher
  ✓ Easy access to all data elements entered into the database
  ✓ Pre-set printing formats to just click on a report name – all reports print with LME or Provider name, name of report, name of cost center, date and time

✓ Service Objectives
  ✓ The service objective list (Appendix M) has been revised to remove unnecessary services

✓ Report Manager
  ✓ Reports will run faster.

✓ Input Screens
  ✓ New box added on the Main Menu screen called "Start Date"
  ✓ New box added on the Cost Center Expenses screen called "Accreditation"
  ✓ New column added on the Personnel screen called "License"
  ✓ An Import feature from an Excel spreadsheet is available for the Personnel screen
  ✓ An Import feature from an Excel spreadsheet is available for the Contract Provider screen
  ✓ The Non Personnel Cost Assignment screen will show the new "Accreditation" item added on the Cost Center Expenses screen

✓ The number of decimal places in the Personnel screen is still 3 in order to bring consistency between input screens and reports. There were rounding differences between reports and errors that were not easily located due to some input screens and reports still using 3 decimal places even though 6 could be entered in the Personnel screen.

✓ On the Non Personnel Cost Assignment screen the user can system allocate special item expenses (i.e. Accreditation, Interest, Rent, Travel, Fixed Assets, and Moveable Assets) or can directly assign these expenses and the system will automatically adjust itself.

✓ Must enter either hours or FTEs on the Personnel screen, both fields can NOT be 0 (zero).

SPECIAL CONSIDERATIONS

RENT PAYMENTS TO RELATED PARTIES

In consulting with the Division of Medical Assistance (DMA), Inter-related Party Rent should be handled as follows on the Cost Report:

a) Back out the full Inter-Related Party Rent Payment on the "Other Adjustment" line in the Cost Center Expense section of the respective cost center. Please annotate on the Notes worksheet (Supplemental Forms workbook tab 10-Notes, Appendix L) that this is Inter-Related Party Rent.

b) Then the LME or private provider can claim the full expenses claimed by the owner of the respective facility or building on the "Other Adjustment" line. You will need to offset the rent payments by the amount of interest you would claim as the owner. You can claim Mortgage Interest as "Interest" on newly acquired facilities but not on refinanced facilities. In addition, you can claim any Fixed Asset Depreciation claimed by the owner of the facility or building. You can claim these expenditure's on the respective Schedule 1(s). If the building is paid off and/or fully depreciated, no costs are allowed to be claimed. (Per OMB Circular A-87, Rental Costs of Building and Equipment, rental costs under "less than arms length" transactions should be recorded as if the LME or private provider owned the building.

For a complete copy of OMB Circular A-87, please refer to this web site http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html

APPROPRIATE DEPRECIATION ESTIMATED USEFUL LIVES

DMA auditors use the "Estimated Useful Lives of Depreciable Hospital Assets" when they audit Cost Report figures. This schedule is published by the American Hospital Association (AHA). The AHA guidelines vary from the IRS guidelines that are used for calculating depreciation expense for tax purposes. Since these AHA guidelines are the guidelines by which Cost Reports are reviewed, if there is a need to vary from it, please consult with Kathy Cardenas (919-647-8068) of the DMA Audit Section prior to using an alternate useful life on your books. Document any deviation from AHA guidelines on either the depreciation worksheets (Supplemental Forms workbook tabs 3-Moveable Asset Depr or 4-Fixed Asset Depr, Appendix L) or on the Notes worksheet (Supplemental Forms workbook tab 10-Notes, Appendix L). To order a copy of the AHA Guidelines, visit their web site at "http://www.aha.org". The AHA Resource Center may also be reached at (312) 422-2050.

OTHER ITEMS

* <u>PERSONNEL</u>: To the extent possible, distribution of personnel expenses should be based on documented time. Direct service time reports should be used as the basis of distribution to the various service(s) whenever possible. Other Direct Support time should be used only for individuals with documented management responsibilities.

* <u>EDUCATION COSTS</u>: Educational costs for Children's Day Treatment Services should be deducted from overall costs in determining the rate base for this service. The deduction should be made by including the amount in the "Other Adjustments" on the appropriate Cost Center Expense screen, and explaining the entry on the Notes worksheet (Supplemental Form 10).

* <u>ACTUAL UNITS</u>: LME and private providers are encouraged to use "Actual Units" generated from their own data. Actual units shown in the cost report will be checked against the detail actual units data supplied by the provider. This should be submitted in an electronic format **and is required** when submitting the cost report. See Appendix E for more details.

* <u>TRAVEL COSTS</u>: Although travel units are excluded, the costs should still be included with the service. These costs need not be separated out and put in an Administration cost center since they are normally associated with a particular service.

* <u>ALLOCATED COUNTY COSTS</u>: If you do not have costs allocated to you from the county according to a County Allocation Cost Plan, then you can only claim as costs those costs on your books.

* <u>or ALLOCATED CENTRAL OFFICE OVERHEAD COSTS</u>**:** If these costs are included in the audit figures by cost center, then include them in the appropriate cost center on the Cost Report in the total Fixed Charges & Other amount (4XX). If these costs are not included in the audit or financial statement amounts, enter them as a Non-Personnel Adjustment by entering the amount to the "Central Allocation." line in the appropriate cost center. If you would like to have the overhead allocated based on FTE's, use the General Support cost center and enter a **negative** in the "Other Adjustments" line on the Non-Personnel Adjustments screen.

* <u>UTILIZATION MANAGEMENT COSTS</u>: All Utilization Management costs should be included in the Administration cost center.

* <u>NETTING REVENUES WITH EXPENDITURES</u> – **NEVER** net your expenditures against your revenues in the cost report. **HOWEVER** there is one exception to this rule and it concerns Contract Production. See the Cost Center Expenses screen for further detail.

* <u>SPECIAL FUNDS</u> – All special funds provided by the Division of Mental Health, (i.e. General Non-UCR) for which expenditures are incurred, should not be included in cost found services. They should be separately identified in the various "Non Medicaid Services" services available (Non Medicaid Services and General Non-UCR Expenditures), so these funds can be appropriately settled at the end of the cost report process.

HARDWARE AND SOFTWARE REQUIREMENTS

Before beginning the Cost Report application, please ensure the computer's hardware and software meets the following requirements.

Hardware/System Configuration Requirements

- One of the following operating systems:
  1. Microsoft Windows 2000 Service Pack 3 or newer
  2. Microsoft Windows XP
  3. Microsoft Windows Vista
  4. Windows NT, may require the user to have administrative rights in order to install

- If installing and using on an NT computer, the best performance is obtained if the installed files are moved to a server and operated from there.

- Recommend a personal or multimedia computer with a Pentium 300 MHz or higher processor

- Recommend 64 (megabytes)MB of Random Access Memory (RAM)
  - more memory may be required to run additional applications simultaneously

- VGA resolution or higher video adapter (Super VGA (SVGA) 256-color is recommended)

- Microsoft Mouse, Microsoft IntelliMouse, or compatible pointing device

- 30 MB hard Disk Space (requirements are approximate)

- **Must have internet access**
  - The application can be downloaded from the Controller's Office web site at http://www.ncdhhs.gov/control/amh/amhauth.htm.   Then click on **2008 Cost Reporting**.

- Access 2007 users, make sure to read the "For 2007 Microsoft Access Users section" starting on page 19.

DIFFERENCES BETWEEN LME AND PRIVATE PROVIDER COST REPORTING

The following applies to Private Providers only:

1. On the Main Menu screen for Organization Type, check the **Private Provider** button
2. On the Personnel screen, the provider can only enter Hours Worked. FTEs will automatically be figured.
3. The System Management screen will not be available
4. To see the available list of possible exemptions, see the Exemption form at the following location http://www.ncdhhs.gov/control/amh/amhcost8.htm. **Note**: private providers should send in a signed Exemption form. No waiver request letter is needed, nor will a written statement be sent back.
5. An audit is not required – if there is an audit, submit a copy, or otherwise submit your end-of-year general ledger figures (Income Statement (Profit/Loss Statement) and Balance Sheet).

The following applies to LMEs only:

1. On the Main Menu screen for Organization Type, check the **LME** button
2. An audit or CAFR is required.
3. On the Personnel screen, the LME can either enter data in the Hours Worked column and the FTE will automatically be figured, or skip over the Hours Worked column and directly enter the FTE
4. The System Management screen is made available on the Cost Center Expense screen.
5. LMEs can be exempt from reporting only if the LME provided no direct care mental/behavioral, health, CAP-MR/DD or residential treatment services. The LME has to submit a written request to the Controller's Office asking to be exempt from the cost reporting requirement. Along with the written request, a signed Exemption form and a Provider Payments worksheet (same as Supplemental Forms worksheet tab 9-Contract Providers, Appendix 10) showing any pass through Medicaid payments must be submitted. The exemption form and worksheet formats can be found on the Controller's Office website at the following web address: http://www.ncdhhs.gov/control/amh/amhcost8.htm, and once there, see the bullet for Exemption form and Supplemental Forms workbooks. A written statement of approval or denial from this exemption will be sent by the Controller's Office back to the program.
6. Non-UCR dollars on the LME's FSR reports must match or exceed what is put both in the Cost Report application under the General Non-UCR service objective and Explanation of "General Non-UCR Expenditures" worksheet (Supplemental Forms workbook tab 6-General Non UCR, Appendix L). On the Explanation of "General Non-UCR Expenditures" worksheet (Supplemental Forms workbook tab 6-General Non UCR, Appendix L) the detail must include the state account #, fund, FRC codes and what cost center the money went in to.

OBTAINING YOUR APPLICATION AND SUPPORTING FILES

The Access Cost Report application and the Supplemental Forms file can be downloaded from the Internet:

- ✎ The Controller's Office Web Site is http://www.ncdhhs.gov/control/.
- ✎ At the Web Site, look for a listing under "Program-Specific Information" for **Mental Health Service Providers & LMEs**. Select this link by clicking on it.
- ✎ On the "Mental Health Service Providers & LMEs" page click on **2008 Cost Reporting** to find the following items.

- ➢ The 2008 Mental Health Cost Report Application and the downloading instructions
- ➢ The Mental Health Cost Report Application Runtime Download version for users who do not have Microsoft Access on their computers, plus downloading instructions.
- ➢ The Exemption form
- ➢ The 2008 User Manual (**Download and review first**)
- ➢ Appendices
- ➢ The workbook of the Supplemental Forms (also Appendix L) which includes:
  Index to Supplemental worksheets:
    1. Transmittal Checklist Cover Sheet (with certification & CPA contact)
    2. CPT Detail Worksheet
    3. Schedule of Moveable Asset Depreciation
    4. Schedule of Fixed Asset Depreciation
    5. Explanation of "Non Medicaid Services" Costs
    6. Explanation of "General Non-UCR Expenditures"
    7. Reconciliation of Audit Costs to Cost Report Total Costs
    8. Schedule of Revenue by Source
    9. Contract Provider Information (For LMEs only)
    10. Notes worksheet to document any out of the ordinary data and provider required or requested detail.
- ➢ The Provider Units Memo (also Appendix E)
- ➢ The Cost Report Review Worksheet

The application default will place the application on the C:\ drive. The application will work faster on the C:\ drive, but if there will be multiple users, it would be better to copy the application to a server. The exception to installing on the C:\ drive would be when using a computer with NT. For NT computers, running the application on the C:\ drive is very slow. We recommend that NT users install on their personal server directory on the main server, or install on the C:\ drive and then move files to their personal directory. The shortcut will need to be modified to indicate the directory where the application was moved.

NOTE: When the operating system is NOT Windows NT and the application is placed on the server, it will be slower. Also, if more than one person is working on the file at the same time, please ensure they are not working on the same parts of the application or confusion may occur and not all changes may be captured.

OPENING THE APPLICATION FILE

Once the application files are saved to the hard drive (or server, for NT users) and the download is complete, including dragging the shortcut to the desk top, the application is ready to be opened.

Simply double click on the shortcut on the desktop. When opening the application, there is a possibility for one or both of the following messages to pop up. They are:
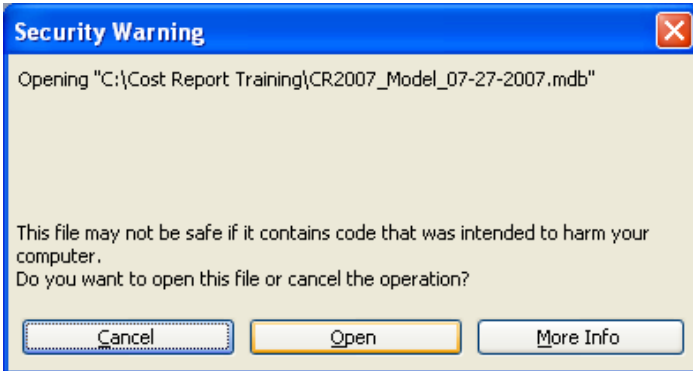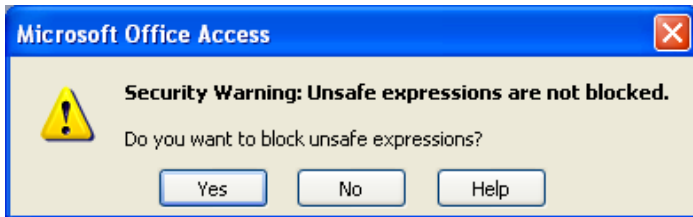
These messages may pop up because security in the Microsoft Access program for Macros is set at medium or high. If security is set to low, these two messages will not pop up. The messages are to inform the user of some "program language" associated with the database and asking if the user really wants to open the database. For the first message, just click on **No** and for the second message, just click on **Open**. The application will now open to the Main Menu. If these messages don't pop up, the application will just open to the Main Menu.

Note: It is also possible these messages (if the security on the system is not changed to low) will also pop-up after reports are run and then closed. If this happens, just answer them the same way with **No** and **Open**. To change the security level so the messages will no longer pop up, in the menu bar click on **Tools**, the tab **Security Leve**l and then check the box beside **Low**.

MAIN MENU

The Main Menu screen is shown below.

Once it is completed the information on this Main Menu will identify the provider submitting the cost report and will put the organization name on each report. **Note: If you are using 2007 Microsoft Access, please make sure you read the "For 2007 Microsoft Access Users" section below.**

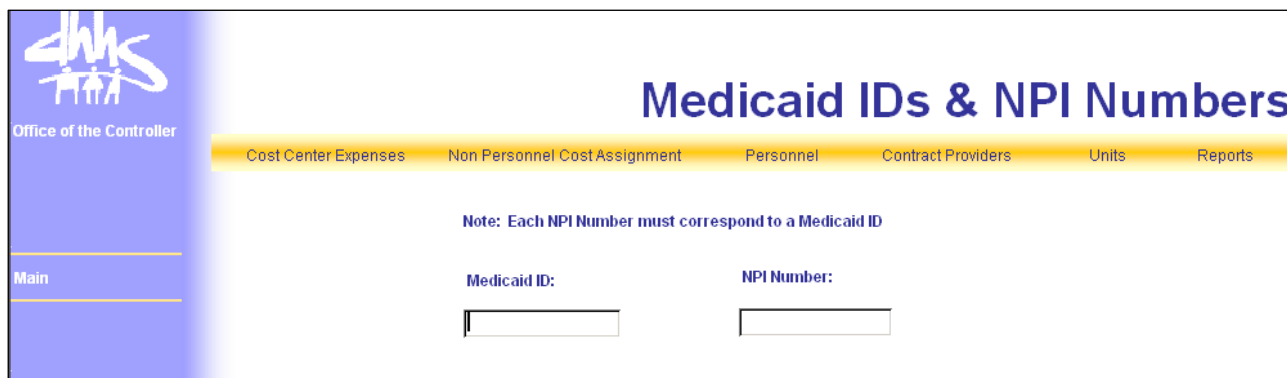Please enter the following information:

Organization Name: The name of the organization that matches the federal tax ID number.

Federal Tax ID: The organization's federal tax ID number. Again this tax ID number should match up with the organization's name. This is a numeric field, alpha or special characters are not allowed.
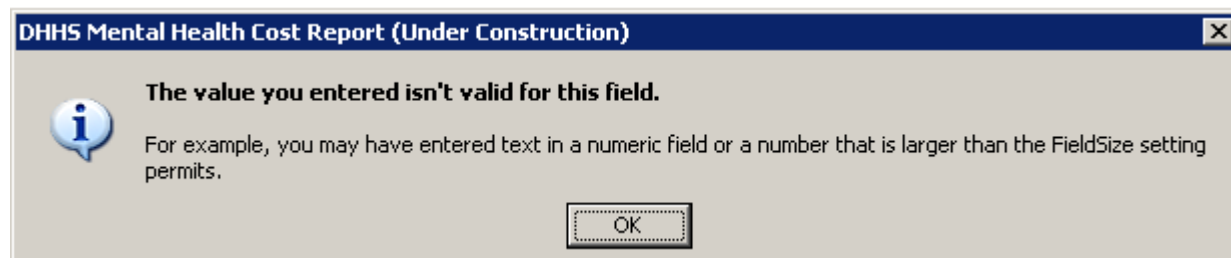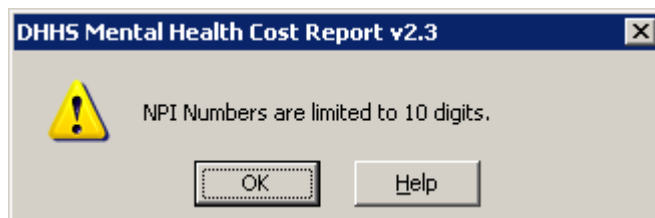
NPI Number: Please enter the 10 digit, numeric NPI number into this field. The NPI number on the Main Menu screen should correspond to the Medicaid provider number showing on the Main Menu screen.

> NPI stands for National Provider Identifier, which is a standard unique identifier for health care providers adopted by Health Insurance Portability & Accountability Act (HIPAA) in January 2004. If additional information is needed about this national requirement, check out the following web site: http://www.ncdhhs.gov/dma/NPI.htm. This web site is for the Division of Medical Assistance (DMA) and gives the needed information about this national requirement for North Carolina Medicaid providers.

> An organization may have more than one NPI number. If the organization has more than one number, in the blue margin on the left hand side of the screen click on the link called **Additional NPI numbers** and the following screen comes up.

> On this screen enter any additional NPI numbers with the corresponding Medicaid provider numbers as needed. If the user tries to enter a number with more than 10 digits or tries to enter an alpha character in the NPI field, one of the following errors might pop-up.

> Just click the **OK** button and correct the error. When finished, press the **Main** link in the blue margin on the left to go back to the Main Menu.

A corresponding Medicaid provider number should always be entered with the NPI number.

Medicaid ID: The organizations Medicaid provider number(s) used to bill for services provided. The provider number shown on the Main Menu screen should correspond to the NPI number showing on the Main Menu screen.

An organization may have more than one Medicaid provider number. If the organization has more than one provider number, in the blue margin on the left hand side of the screen click on the link called **Additional Medicaid IDs**. This takes the user to the same screen shown above for the **Additional NPI numbers**. Again, enter any additional Medicaid provider numbers with the corresponding NPI numbers as needed. When finished, press the **Main** link to go back to the Main Menu. As before a corresponding NPI number should always be entered with the Medicaid provider number.

Year End: Enter the organization's accounting year end date in the format of mm/dd/yyyy.

Start Date: This date should represent the date when the organization opened for business, when the organization got it's Federal Tax ID number. This **is NOT** the date the organization started providing services, received its first Medicaid client, or started billing Medicaid for services. The format for this date is mm/dd/yyyy.

Organization Type: There are two check boxes here. By clicking on the box beside Private Provider, it identifies the organization as a private provider. By clicking on the box beside LME, it identifies the organization as a Local Management Entity (LME). There are minor differences on screens or options available to the user depending on which box is selected. Please select the one that fits the organization.

At the top of the Main Menu screen is a yellow task or menu bar. This contains all the screens where data is entered as well as the reports menu where reports can be run and printed. We will go through each of these screens in the optimal order information should be entered. To move around to other screens, move the cursor on top of the screen names and click.

The three buttons at the bottom of the screen, **Exit, Export Data,** and **Import Data**, we will go over later on in the manual.

FOR 2007 MICROSOFT ACCESS USERS

If using the 2007 version of Microsoft Access the Main Menu may have this security warning shown in figure 1.

Figure 1

The Access 2007 program has some added security to it that Access 2002 or 2003 did not have. It is letting the user know that there are some macros associated with the application and wants to verify if it is okay to use this application. If this warning is not taken care of, the cost report application will not work correctly. The following steps will show you how to clear this security warning.

First, click on **Tools** up in the menu bar, and then on **Security** as shown in figure 2.

Once you click on **Security**, this next screen (figure 3) will come up. From here, click on **Trust Center** on the left hand side of the screen and then click on **Trust Center Settings…**.
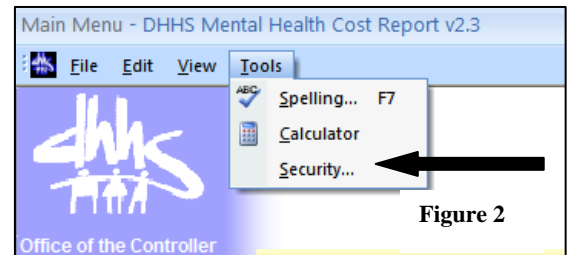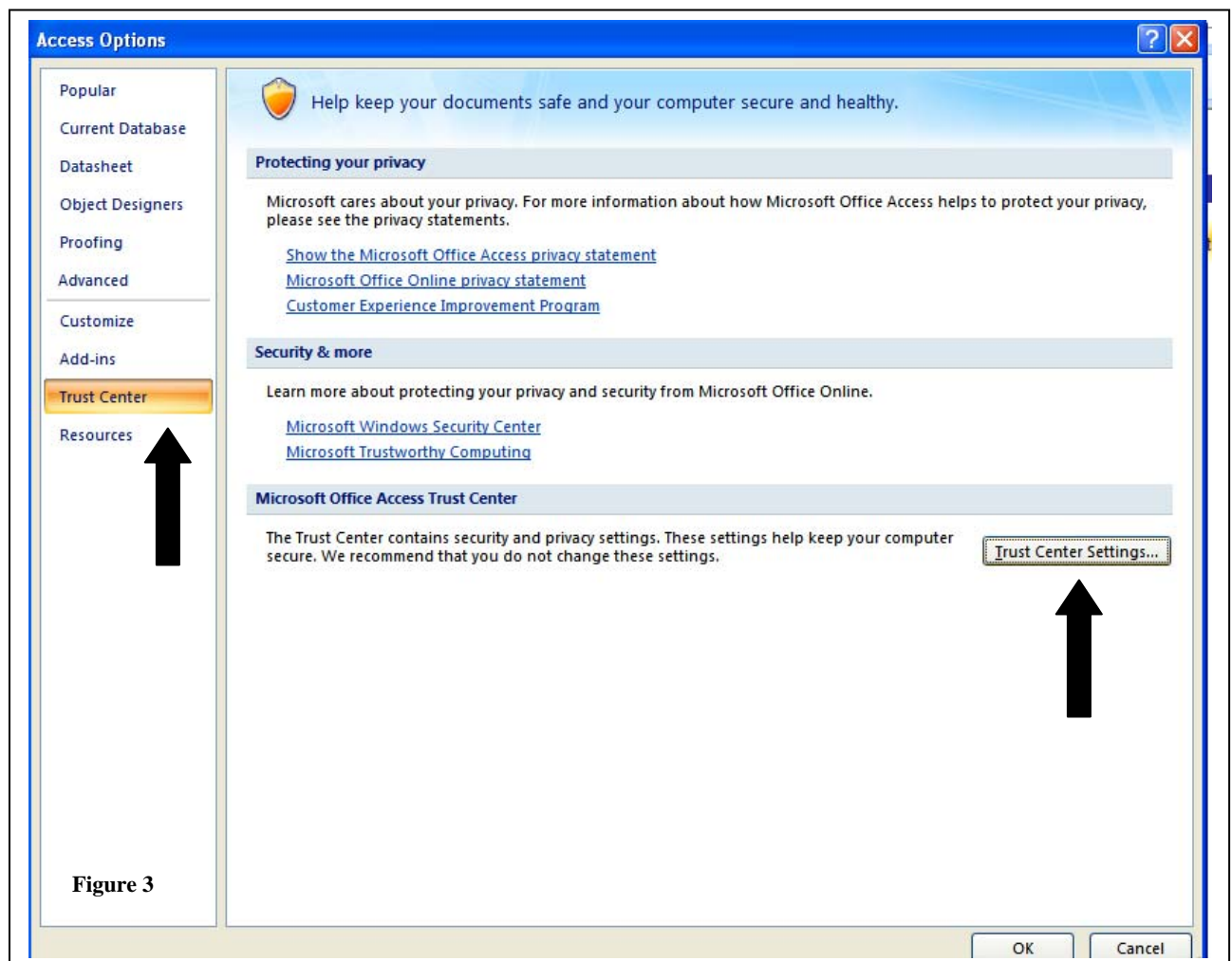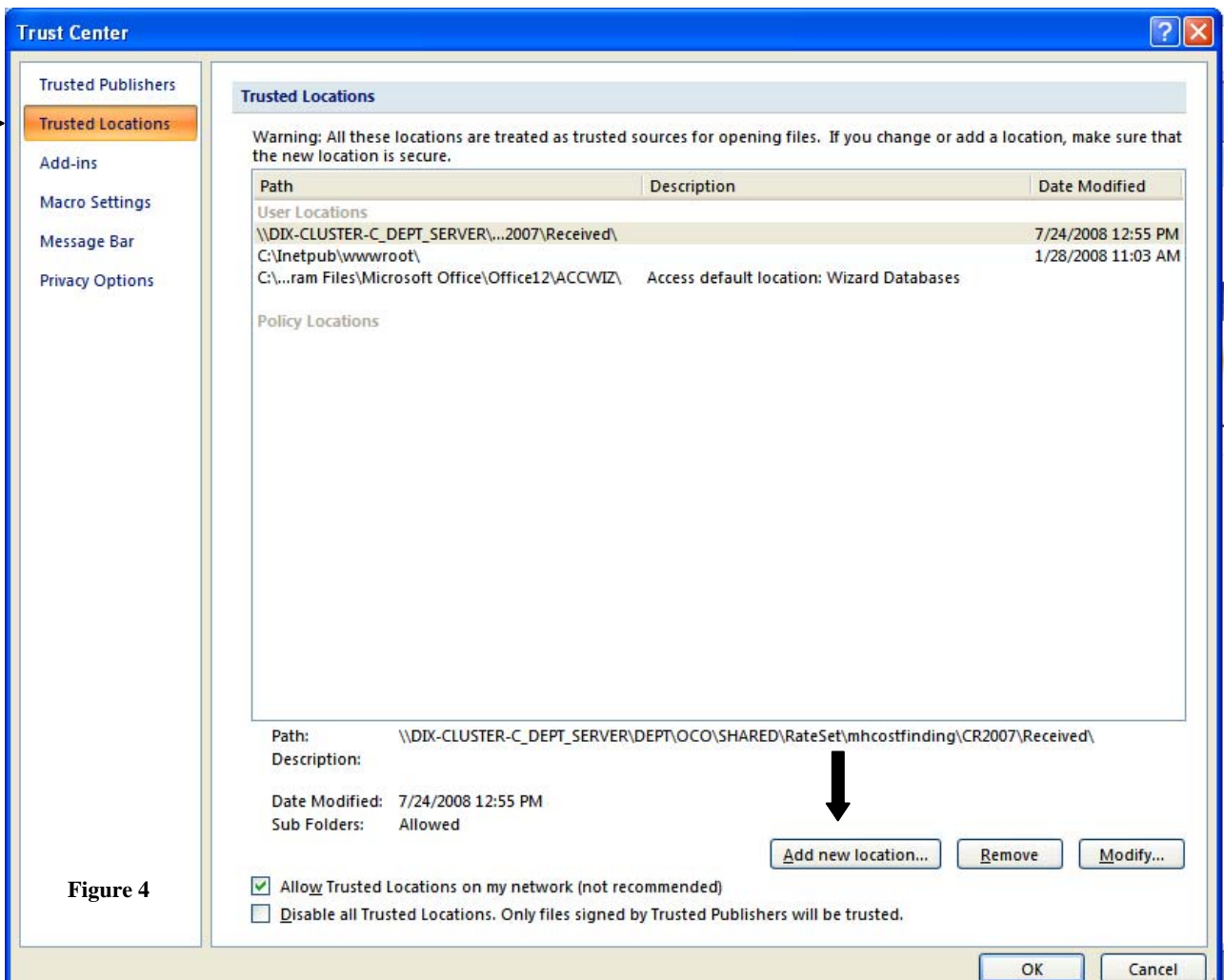
Figure 2

Figure 3

Figure 4

Click on **Trusted Locations** and the screen will look like figure 4. To keep the security warning (shown in figure 1) from coming up every time the cost report application is used, the subdirectory where the Mental Health Cost Report application has been saved at needs to be added to the list of trusted locations. These directions assume the cost report has been saved where the download instructions suggested in a directory called C:\CR2007. If the program was saved in a directory other than C:\CR2007, then please change these directions accordingly.

To add the C:\CR2007 directory to the list of trusted locations click on the **Add new location…** button shown in figure 4.

In figure 5, type in the name of the directory where the Mental Health Cost Report application has been saved. If the user needs to, use the **Browse…** button to pull up the directory location. Also click the box beside **Subfolders of this location are also trusted** too. Just in case there are any subdirectories under C:\CR2007, then click **OK**.

This should take the user back to the screen shown in figure 4, click **OK** here.
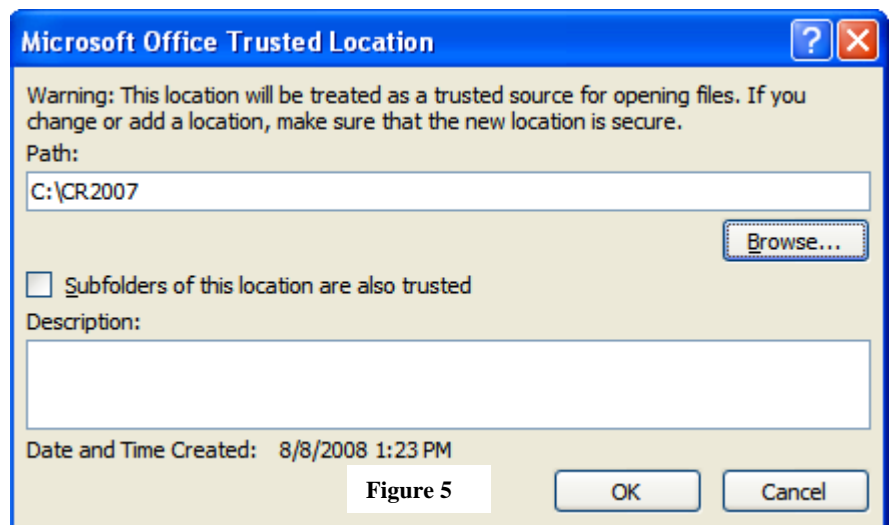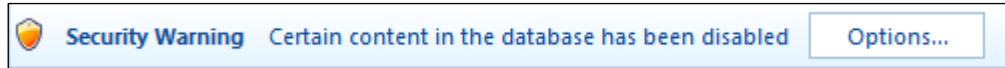

Figure 5

This should take the user back to the screen shown in figure 3, click **OK** here and the user should be back at the Main Menu screen.

There are two more steps to complete this process. At the end of the Security Warning message there is a button labeled **Options…**. A picture of that warning message is shown here. Click on the **Options…** button.

When the **Options…** is clicked the screen below comes up.

The last thing to do is click the button beside **Enable this content** and then click **OK**. Once all these steps are followed the security warning on the Main Menu will go away and the program will work as it is designed to. If the user only does this last step (clicking on **Options**… and **Enable this content**) and doesn't follow the other steps show in figures 2 through 5, then these last two steps will have to be done every time the cost report application is opened.

COST CENTER EXPENSES

From the Main Menu click on **Cost Center Expenses** and the screen below comes up.

On the left hand side of the screen, in the blue margin, there are seven (or eight) menu links to help navigate around the application. This works the same as the yellow menu bar does on the Main Menu and other screens. Move the cursor on top of a label like **Main** and click on it to go back to the Main Menu screen explained above. The next five links (Manually Allocate Non Personnel Costs, Personnel, Contract Providers, Units and Reports) takes the user to other data entry screens. The last one (Service Objectives) will be discussed later in the manual.

Before data can be entered into the application, the first thing to do is to name the cost centers. A cost center name is user defined and should match the cost or departmental expenses shown on the audit or financial statements. What is meant by a cost or departmental expense? Take a quick look at Appendix AE. The first tab in the workbook called "Per Audit" shows an example of a private provider's audit that was submitted in for the 2006 Cost Report. It shows the provider expense line items on the left hand side of the worksheet and to the right of that are five cost or departmental expense centers; Outpatient Treatment, Residential Treatment, Judicial Services, Prevention/Intervention Education Services, and Administration. Using this example, these would be the names of the five cost centers this private provider would put in their cost report. If all the organization has are the line item accounts and the Total Expenses column on their Income or Profit/Loss statement, then the organization may only have two cost centers. The user can have as many cost centers as they need, or as few as two, one for administrative costs and the other for the services provided.

At the top of the screen beside the label "Cost Center" it will be either blank or says "Enter New Cost Center or Select from list". Click in the box and type in the name of the cost center and press the **Enter** or the **Tab** key. When pressing the **Enter** (or **Tab**) key a pop up box will appear that says "Would you like to add (the name typed) as a new cost center?" Clicking **Yes** will add the name as a cost center and the cursor will move over to the Personnel - 1XX box ready to enter expense data. If the audit or financial statements are available for this cost center, enter them now or come back later to do it.

Clicking on **No** to the "Would you like to add (the name typed) as a new cost center?" question, the name will not be added to the application.

ENTERING COST CENTER EXPENSES

The rest of the information needed for this screen comes from the final audit or financial statements. After entering a cost center name the cursor automatically points to the "Personnel – 1XX" box, so let's start there.

Expenses for the cost report are categorized into 7 summary line items, shown in figure 6. These summary line items are used because the Controller's Office can not match each and every expense line item that all providers and LMEs use in their financial statements. The detail for these expenses do not need to be shown in the cost report because that will be shown on the audit or financial statements which the Controller's Office reviews and ties back to the numbers placed here.

There is a chart of accounts on the Controller's Office website and Appendix J of this manual that shows what type of expense goes into each of these expense line items. The name of the file is: "Guidelines to Distinguish between Admin and Direct Care Costs – spreadsheet". Expenses can be set up to match this summary layout which will make it easier to enter data into the cost report or a crosswalk needs to be provided. A crosswalk shows how expenses on the audit/financial statements are mapped into these summary lines. An example of a crosswalk is provided in Appendix AE.

Personnel Verification Total	
Personnel - 1XX	0.00
Supplies & Materials - 2XX	0.00
Current Obligations & Services - 3XX	0.00
Fixed Charges & Other - 4XX	0.00
Capital Outlay - 5XX	0.00
Contracts, Grants & Subs - 6XX	0.00
Transfers, Etc. - 8XX	0.00

Figure 6

Let's take another quick look at Appendix AE. The first tab, "Per Audit" was discussed above in how cost centers might be named. The second tab called "Crosswalk" takes the Outpatient Treatment cost center and crosswalks the individual expense line items into the 1XX through 8XX expense lines. The totals highlighted in blue go into the boxes shown above. This is a simple example of what a crosswalk could look like, not how it has to be done, but it does need to give the same type of information. The Controller's Office has hundreds of cost reports being submitted. Please make sure to submit this crosswalk information with the cost report so we can see how the numbers in the audit or financial statements tie to the crosswalk and then tie to the cost report.

The box labeled "Personnel Verification Total" is not an input box. The number shown here will come from the Personnel screen when information is entered there. The number in this verification box should match the number placed in the 1XX box. When these two numbers do not match, the number one reason why is that the cost report is out of balance. Either the 1xx total from the financial statements/audit or the crosswalk has been grouped incorrectly or keyed incorrectly or the data entered on the Personnel screen is incorrect. If it is determined that the 1xx total is correct, then loot at the Personnel screen input.

The next section of our Cost Center Expense screen, shown in figure 7, is where adjustments are made to take out expenses that are not allowed to be part of rates. Non Personnel costs are all expenses except for personnel costs (1XX) added together. As costs are entered on the 2XX through 8XX lines (in figure 6), they are automatically added together and shown in the box labeled "Non Personnel Costs". When all expenses in figure 6 are entered, the cursor will be sitting in the "Contract Production" box in figure 7.

Notice the plus (+) and minus (-) signs beside each line in figure 7. This shows that the amounts entered on these lines will be added or subtracted from the non personnel costs. There is no need to use a minus or plus sign when keying in the numbers.

Non Personnel Costs		0.00
Contract Production	(-)	0.00
Other Adjustments	(-)	0.00
Out Of Compliance	(-)	0.00
Mortgage Principal	(-)	0.00
Central Allocation	(+)	0.00
Total Adjustments		0.00

Figure 7

Contract Production: Backing out costs associated with revenue generating activities by clients. These costs should be deducted to the extent of revenue generated only. This includes wages for clients and costs of materials to the extent of revenue, but not to exceed total expenses.

Other Adjustments: On this line place other expenses that should not be included in costs. Examples include but are not limited to related party rent, bad debts, fines and penalties, legal fees due to lawsuits, gifts, and contributions. Reimbursable sales taxes, personal expenses for clients, personal allowances for clients deposited by provider and then paid to the client would also be included on this line. If the organization bought an asset (fixed or movable) they can not include the expense of buying the asset and the expense of depreciating the asset at the same time. The expense of buying the asset will have to be backed out on this line. For a more complete list of unallowable costs see the OMB Circular A-87, attachment B. This can be found on the following web site: http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html. **NOTE:** Other Adjustment items require a detailed explanation to provide a clear audit trail and allow for supporting evidence to be presented. This explanation must be provided in Supplemental Forms workbook tab 10-Notes (see Appendix L). Indicate the cost center name, dollar amount and the type of cost involved and the reason it is being deducted.

Out of Compliance: On this line indicate items identified in the audit which need to be taken out of service costs because the audit has not been adjusted for the item. These items will only occur if the provider does not make corrections for these items prior to the final audit being published. **NOTE:** Out of Compliance items require an explanation to provide a clear audit trail and allow for supporting evidence to be presented. This explanation should be provided in Supplemental Forms workbook tab 10-Notes (see Appendix L). Indicate the cost center name, dollar amount, type of cost involved, reason it is being deducted and indicate the page in the audit where the item is identified and discussed.

Mortgage Principal: If this was expensed, the mortgage principle amount of the payments should be placed on this line. This expense is not allowed in the rates. Why? Because the asset is being depreciated and the asset can not be expensed and depreciated at the same time. **Note**: The interest portion of the mortgage payments is allowed so do not include it here.

Central Allocation: Unlike the other items in this section, figures on this line are added to the Non Personnel costs instead of subtracted. **NOTE:** If supporting documentation is not provided for adding this cost, it will be disallowed.

An LME, should indicate the costs allocated to their program from the county for services provided by the county (i.e. purchasing, payroll, rent) for which the LME did not incur costs. These dollar amounts must be identified in the County Allocation Plan and a copy of the respective pages of the allocation plan must accompany the cost report.

Private providers would indicate the costs allocated to their program from a central office (i.e. purchasing, payroll, rent) for which the provider did not incur costs. These dollar amounts must be identified in the audit and the audit must detail the allocation method. Only the costs associated with North Carolina should be included. If the audit totals include these costs, no entry is made to this line. In addition, if you have prepared other cost reports, only include the portion of the costs associated with mental health in this report.

If any portion of the county allocation is for direct care (such as when County provides a treatment center), then these costs can be handled in one of two ways:

1) **Place a negative amount on the "Other Adjustments" line, or**
2) **Add a separate cost center, appropriately named "Directly Assigned Allocated Costs" with the appropriate service objectives.**

The next section of the Cost Center Expense screen is detailing specific expense items that should already be included in the expense categories (2XX through 8XX lines). This allows these specific expenses to be system allocated or manually allocated to the services in each cost center. A copy of this section is shown in figure 8 below.

Figure 8

Not Included with Total Expenditures

Fixed Asset Depreciation	0.00	▦
Movable Asset Depreciation	0.00	▦
Accreditation		
Travel	0.00	
Rent	0.00	
Interest	0.00	
Adjusted Non Personnel Costs	0.00	

Fixed Asset Depreciation: Place the depreciation costs for fixed assets here. Fixed assets are those assets that can't be moved like: buildings and land. The detail of this depreciation expense is shown in the Supplemental Forms workbook tab 4-Fixed Asset Depr (see Appendix L). The amounts placed on this line for each cost center must match up to the total on the Supplemental Forms workbook tab 4-Fixed Asset Depr.

Beside this field is a check box. The only reason to put a check in this box is if the fixed asset depreciation expense **is not** included in the expense category (2XX through 8XX). If it **is** included then **do not** check this box.

Moveable Asset Depreciation: Place the depreciation cost for moveable assets here. Moveable assets are those assets that can be moved like; automobiles, desks, computers and copiers. The detail of this depreciation expense is shown in the Supplemental Forms workbook tab 3-Moveable Asset Depr (see Appendix L). The amounts placed on this line for each cost center must match up to the total on the Supplemental Forms workbook tab 3-Moveable Asset Depr.

Beside this field is a check box. The only reason to put a check in this box is if the moveable asset depreciation expense **is not** included in the expense category (2XX through 8XX). If it **is** included then **do not** check this box.

Accreditation: Place the non personnel expense incurred by the organizations to meet the national accreditation standards that are required. If the organization is getting accredited for all the services provided, then this expense should be in the administration cost center, so the expense can be distributed across all services provided by the provider. If the organization is getting accredited for only one service, then this expense should be in the cost center where the service is provided.

Travel: This is for all travel expenses for the organization including those relating to providing services to clients or staff going to training.

Rent: Place the rent expense amount for the cost center here.

Interest: Here is where mortgage interest expense is allocated for the cost center.

The last section of the Cost Center Expense screen, as shown in figure 9, helps to identify the cost center as an administrative, contract or general support cost center even if isn't named as such. These check boxes help to identify these types of cost centers to put them in the correct section of the Schedule 2 report.

Admin Cost Center: If the cost center name shown is the administrative cost center (whether it is called "administration" or not), then please check the "Admin Cost Center" box. There will always be one cost center with this box checked.
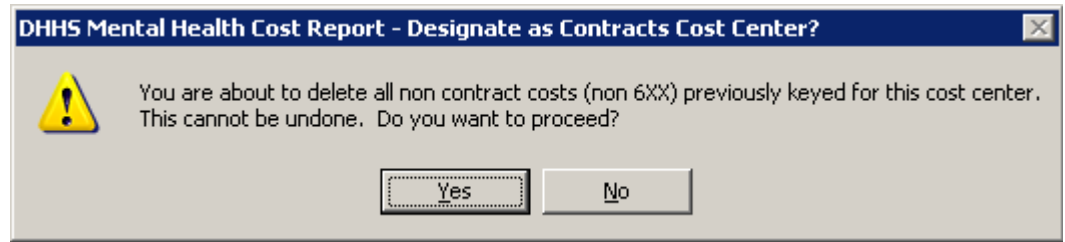
Figure 9

Contract Cost Center: If the cost center name shown has expenses that have nothing in it but contract expenses, then please check the "Contract Cost Center" box. When this box is check, a warning box comes up.

Admin Cost Center	▦
Contract Cost Center	▦
General Support Cost Center	▦
Total Expenditures	0.00

This warning box is informing the user that any expense listed on any other line than 6XX is about to be deleted. If this is a "pure" contracts cost center it shouldn't have expenses on any other line than 6xx, so click on **Yes**. Once the Yes button is clicked, the Cost Center screen will now look like figure 10 below.

DHHS Mental Health Cost Report - Designate as Contracts Cost Center?

You are about to delete all non contract costs (non 6XX) previously keyed for this cost center. This cannot be undone. Do you want to proceed?

[Yes] [No]

Figure 10

Now the only boxes available for data to be entered are: Contracts, Grants & Subs – 6xx, Other Adjustments and Out of Compliance. All the other boxes have been grayed out and any information that may have been there are now deleted. If the Contract Cost Center check box is checked by mistake, it would be best to delete the cost center by using the **Delete** button, then use the **New** button to reenter the cost center (the instructions on how to use the **Delete** and **New** buttons are in the Cost Center Expenses – New, Delete, Save and Cancel section below).

General Support Cost Center: If the cost center name shown has expenses that are for a General Support cost center (whether it is called that or not), then please check the "General Support Cost Center" box. A General Support cost center is for expenses that can not be directly assigned to one service or one cost center. This type of cost center **is not** for administrative expenses or positions. The costs assigned by either assigning personnel into a general support cost center or assigning them to the general support service, the applications will distribute the costs to all services provided by the organization. Providers do not have to have a general support cost center, many may never need such a cost center, but it is available if it is needed. Further examples or explanations can be found in the FAQs link listed out on the Office of the Controller's web site (www.ncdhhs.gov/control/amh/amhauth.htm) and also in Appendix K.
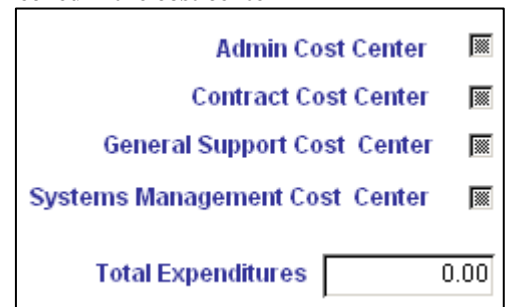
Total Expenditures: This box is the total of all the expenses shown in the 1XX through 8XX boxes and should match the audit/financial statements for the cost center.

If the Organizational Type is checked for LME on the Main Menu screen, another option will be available. The same section will look like figure 9a. The *System Management Cost Center* is if the cost center name shown identifies the LME expenditures.

Note: None of these check boxes in either figures 9 or 9a should be checked if the cost center is for direct care services, another common error.

When the user leaves the Cost Center Expenses screen and comes back to it, bringing up an already named cost center can be done one of two ways. Type the first few letters of the name in the "Cost Center" box or use the drop down arrow. When clicking on the drop down arrow, it will bring up the list of cost center names already entered.

Admin Cost Center	▨
Contract Cost Center	▨
General Support Cost Center	▨
Systems Management Cost Center	▨
Total Expenditures	0.00

Cost Center Expenses – New, Delete, Save, Cancel

At the bottom of this screen there are four buttons, **New, Delete, Save** and **Cancel.**

To add the next cost center name, click on the **New** button at the bottom of the screen, it clears the current information and readies the screen for the next cost center name to be entered.

If a cost center needs to be deleted, the cost center that needs to be deleted needs to be showing on the screen. When the cost center has been verified, press the **Delete** button. A warning box will pop up that says "You are about to delete this cost center. This cannot be undone. Do you want to proceed?" If you click on **Yes**, the cost center has been deleted from the database. Click **No** on the warning box and nothing will happen. Please be careful because if a cost center is deleted, it can only be put back by re-entering the data.

CAUTION: If a cost center is deleted **after** assigning personnel to it, those employees will still be on the Personnel screen but the Cost Center column for the employee will now be blank. This means that these costs would no longer be included in the costs for any cost center. The employees affected will need to be reassigned to the appropriate cost center(s) (see the Personnel section which starts on page 29).

The **Save** button allows the user to save the information entered without exiting the screen. When the screen is exited, the information automatically saves whether the **Save** button was pressed or not.

The **Cancel** button will undo any changes on the current screen. If the cost center has just been added, meaning the user is working on a new cost center, all fields will return to zero. If the user is working on an existing cost center, the amounts will revert to the previous amounts before any changes were made.

Cost Center Expenses – Important things to remember

Here are some final reminders about the Cost Center Expenses screen:
1. This screen shows the financial information from the provider audit or financial statements.
2. By financial statements this means a Balance Sheet (or Trial Balance) and a Profit/Loss (or Income) Statement.
3. Use Appendix J to help put expense line items into the cost report summary buckets called 1XX through 8XX.
4. Provide a crosswalk to show what line items went into which bucket, see Appendix AE for an example.
5. As stated in the manual back on page 15, private providers are not required to provide audited financial statements unless they already have an audit done. LMEs are required to provide an audit.
6. The Total Expenditures box for each cost center should equal the total expenditures for the agency in total. Even if only a small part of the agency provides mental health services.
7. It makes it easier if cost center names match the cost or departmental expense centers shown on the audit/financial statements.
8. The cost report can have as many cost centers as needed or as few as two. There has to be one cost center for administrative costs and the other (or others) for the direct care services.
9. There does not need to be a separate cost center for every service a provider does. The **only** reason to have a separate cost center for each service is if the financial statements for the provider are set up that way. If the financial statements are not set up by service, the user is creating double the work by doing separate cost centers in the cost report. The user will have to manually separate out the non personnel (2XX – 8XX

expenses), show how that was done by providing a crosswalk and making sure it matches the total expenditures. Why do that when the cost report program can do the work for the user.

10. Review the Personnel Verification Total box versus the Personnel – 1XX box. If the cost report is not balancing, see if the Personnel Verification Total box matches (within a few cents of) the Personnel – 1XX box. The amount keyed in the Personnel – 1XX box should be coming straight off the audit or financial statements. The amount showing in the Personnel Verification Total box is coming off the information put on the Personnel screen. If the Personnel Verification Total box is less than Personnel – 1XX, then something noted in the financial statements for personnel expense has not been put on the Personnel screen and the Personnel screen need to be corrected.

11. Also remember to check the appropriate check boxes on this screen if needed.
    a. For a direct care cost center **no box** in the bottom right hand corner of the screen has to be check.
    b. The **only** reason to check the boxes beside Fixed and Moveable Asset Depreciation is if the depreciation expense **is not** in the Fixed Charges & Other – 4XX box for the cost center.
    c. If the cost center is the administration cost center (whether it is called that or not) the Admin Cost Center check box has to be checked.
    d. If the cost center only has expenses on the Contract, Grants & Sub – 6XX field and no where else, then this is a contracts cost center and the Contract Cost Center box has to be checked.
    e. If the cost center is for general support or system management costs then those check boxes need to be checked. System Management would only be for LMEs. General Support is not for administrative costs it is for direct care expenses that can not be narrowed down to one cost center or to one service.

PERSONNEL

After cost center names have been defined on the Cost Center Expenses screen, the next thing to do is enter personnel. Personnel can be entered into the application before all the information on the Cost Center Expenses screen is entered. To get to the Personnel screen, click on the **Personnel** link in the blue left margin of the Cost Center Expenses screen or go back to the Main Menu (by clicking on **Main**) and click on the **Personnel** link in the yellow bar at the top of the screen. Either way will take the user to the Personnel screen which will look like figure 11.

Figure 11

In years past, personnel were keyed into a main screen, similar to figure 11. Then on another screen, employees were assigned the services they provided. We have tried to make this simpler by performing these two tasks at the same time. The draw back is that if an employee provided multiple services in one or more cost centers, they have to be added in for each service and/or cost center multiple times, please make sure to read the **Multiple Services/Cost Centers** section below. The following fields are available on the Personnel screen:

Staff ID: This is an alphanumeric field. By giving an employee an ID number and used each time they are keyed into the application will allow the user to verify how their time is split out. The numbering system can be as easy as 1, 2, 3, or if the organization has as internal staff ID, maybe that can be used.

Name: Enter the name of the individual, but remember to enter the name in a meaningful way since the default sort for this screen is by this field. Some of the possibilities for filling this field are: the first name first, last name first, or to avoid using names, repeat the Staff ID number. The use of a staff ID number is an alternative to using a name if the organization wishes to keep employee names confidential. However, an auditor needs to be able to use the ID number and match from the employment records to the cost report. Also notice there is a drop down box arrow to allow users to pick names from a list of already entered employees. Another option to copy data from a previous record onto a current line is to press the **Control** button on the keyboard and at the same time press the single quote (') button. This is a required field.

Title: This needs to describe to the type of position the employee has. What job title would be used if advertizing to fill the position? A general non descriptive title could cause the Controller's Office and auditors to ask for additional information. This is a required field and a title or position type must be entered.

License: The drop down box for this field has the options that are available for license. They are: Para for Paraprofessional, AP for Associate Professional, LP for Licensed Professional, QP-L for Qualified Professional-Licensed, QP-non/L for Qualified Professional-Unlicensed and NA for Not Applicable. For anyone not providing direct care service, like an accountant or administrative assistant, NA should be used, otherwise use the appropriate license type.

Cost Center: Assign the person or position to a specific cost center where the expense (of the person/position) is accounted for on the audit/financial statements. Choose a cost center by typing the first few letters of the cost center name or using the drop down box.

Service: This is where to assign the service the person provided during the year. Choose the service by using the drop down box or type in the bill code to pull up the service. Figure 12 below is what the service drop down box looks like.

The box shows both the Medicaid bill code and description. There are also some services that don't have bill codes like the CPT Codes. CPT Codes, Non Medicaid and General Non UCR are lumped services (see additional information about these in the Personnel – Important things to remember section). There are also some administrative services also, like Administration, Other Direct Support, System Management and General Support (see additional information about these in the Personnel- Important things to remember section). Remember the providers total expenses in the cost report have to match the total expense per the audit or financial statements.

Figure 12

Service	Hours Worked	FTEs	Total Wages	Benefit %
		.000	0.00	

CPT Codes
H0001 - Behavioral Health Assessment
H00015 - Alcohol and Drug Services, valid 7/1/05 - 3/19/06
H00015 - Assertive Outreach
H00031 - Mental Health Assessment
H0004 - Behavioral Health Counseling and Therapy
H0004 HQ - DMH Outpatient Treatment Group
H0004 HS - DMH Outpatient Tx Family Therapy w/o Client

Hours Worked: Enter the annual hours worked by the employee for the service just identified in the Service column. Private provider will use this column and the FTEs (unavailable to private providers) will automatically calculate. LMEs can enter hours here or move to the next column and enter FTEs.

FTEs: FTE stands for Full Time Equivalent. It is figured by taking the hours worked and dividing that by 2080 (or 40 hours a week times 52 weeks a year). The result is the percentage of a standard 40 hour week worked by an employee. All providers, no matter how many hours a week are standard for their organization will be figured the same way. As mentioned above, private providers will use the Hours Worked column and this column will be grayed out and unavailable. An LME has the option of putting in Hours Worked or entering the FTE. If annual hours are keyed in the Hours Worked column, then the FTE is automatically calculated and the box is grayed out. However if you already know how to calculate the FTE, leave the Hours Worked column blank and just key the FTE figure into this column.

Total Wages: Enter the total gross wages paid to the employee for the assigned cost center for the year. If an employee is entered in multiple times because they provided more than one service or worked in more than one cost center, it could affect this column and the Benefits column below. Please read the **Multiple Services/Cost Centers** section.

Benefit %: This field would be used if personnel benefits are recorded on the financial statements as a percentage of wages. If this cell is used, indicate the percentage of the salary which is related to benefits and the application will calculate the dollars based on the percentage and place them in the Benefits cell. The format for the Benefit Percentage cell is 0.000000; thus if 15.5% is to be keyed, it should be entered as 0.155.

Benefits: If the Benefit % column is not used, enter the actual cost of the benefits per the audit into this column for the respective individual or position. This would be for taxes an employer has to pay such as unemployment, FICA, Medicare or state taxes. Also the employer may pay part of the employee's health insurance premiums or adds a matching portion to a 401K. Just as in the Total Wages column, if an employee provided multiple services and/or worked in more than on cost center, this could affect the benefits. Please read the **Multiple Services/Cost Centers** section.

Travel Hours and Training Hours: These last two columns on the screen are for informational purposes. The hours shown in these columns will have no bearing to the rates on Schedule 2. For the employee, for this service code, enter the annual hours for travel for this service in the Travel Hours column. In the Training Hours column, enter the annual hours the employee received training for this service during the year. Hours placed in these two columns are included in total hours shown in the Hours Worked column.

Personnel - Multiple Services/Cost Centers

As mentioned, because two Personnel screens from prior years have been combined into one screen, it has one draw back, if an employee provides multiple services or in more than one cost center then they have to be entered in for each service and/or cost center. Figure 13 below is a Personnel screen with a couple of examples.

Look at the employee H. Gezit, he spends half his time providing Community Support Child (H0036 HA) and the other half providing Community Support Adult (H0036 HB). He provides both of these services in the Mental Health cost center. See how his total wages of $40,000 and benefits of $2,000 were keyed in with the same numbers. If an employee provides more than one service but within the same cost center, this is how their wages should be entered. The application will allocate the appropriate amount of Gezit's salary and benefits to each service based on FTE shown in the FTEs column. A very common mistake during the 2007 Cost Reporting year is when users portioned out the salary and benefits based on the hours worked. If this was done with an employee in the same cost center, it will double count the salaries and throw the cost report out of balance. So remember, if an employee provided more than one service in the same cost center, the salary and benefits are keyed for each line at the same amount.

Now look at the employee B. Young. He spends half of his time providing Mental Health Assessment (H0031) in the Mental Health cost center and the other half providing SA Comprehensive Outpatient Treatment Program (H2035) in the Substance Abuse cost center. B. Young makes the same amount in wages and benefits as H. Gezit, but it was keyed in differently. This is because B. Young is in two different cost centers. Since B. Young provides more than one service in more than one cost center, his salary and benefits have to be portioned out between the two cost centers.

Personnel - Special Feature - Sorting

As mentioned above, the default sort for the Personnel screen is by Name, however this sort can be changed just by a single click on the name of any column: **Staff ID, Name, Title, License, Cost Center, Service, Hours Worked, FTE, Total Wages, Benefit %, Travel Hours** or **Training Hours**. When this is done the screen will resort by the selected heading, in ascending order. However, leaving the Personnel screen and returning will cause the sort to revert to the default sort by the Name column.

Personnel - Special Feature - Filtering

The Personnel screen can also be filtered to narrow down the scope of the information shown on the screen. Let's say there are 250 lines in the Personnel screen, but the user wants to only look at those employees in the Administration Cost Center. Find an employee who has been assigned to the Admin cost center, then move the cursor so it is sitting beside the Admin name. Do a right click on the mouse and a little box will pop-up as seen in figure 14 below.

Figure 14

When **Filter by Selection** is chosen, now only those employees in the Administration cost center are shown.

To get the Personnel screen to again show all employees, do the right click on the mouse again and choose **Toggle Filter**. That will turn off the filter and the screen will show all available employees again. This feature can be used in

any column in the Personnel screen. The cursor only needs to be in the field to be filtered. The filter will automatically turn off when the screen is exited. When the user returns to the Personnel screen, it will come up with all employee data.

Notice in the pop-up box with **Filter by Selection** and **Toggle Filter**, the user is able to use the **Find, Replace, Copy** and **Paste** features available in any Microsoft application. The user can also open and use the Microsoft on screen calculator.

Personnel – Import, New, Delete, Delete All

At the bottom of the screen there are four buttons labeled **Import, New, Delete** and **Delete All.**

Clicking on the **New** button will take the user to a blank line at the bottom of the screen to add another employee to the list.

Clicking on the **Delete** button will delete the employee where the cursor was sitting. There will be no warning message it will just delete the employee from the screen. If the employee was deleted by mistake, they will need to be re-keyed.

By clicking on the **Delete All** button, a message box, figure 15, will pop up. If **Yes** is clicked, everyone shown on the Personnel screen has been deleted. If **No** is clicked, nothing will happen. This **Delete All** button can be used if some personnel have been keyed in, but then the choice is made to use the **Import** button feature.
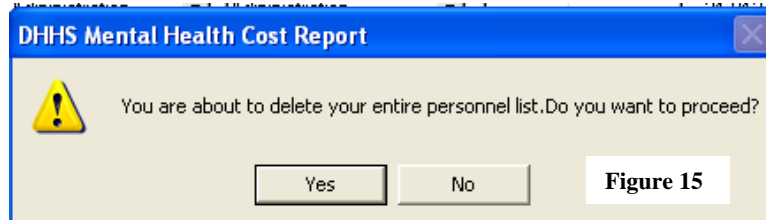
Figure 15

The **Import** feature is an alternative to entering personnel information into the application as explained above. **Import** will allow personnel information from an Excel spreadsheet be imported into the application. The Excel spreadsheet does have to be set up in a specific way. An example is shown below in figure 16. A larger version of this example can be found in the appendices, Appendix AC.

	A	B	C	D	E	F	G	H	I	J
1	Name	StaffID	Title	CostCenter	ServiceObjective	ursWork	otalWage	fitPercen	Benefits	FTEs
2	Tew, M.E	1	SWII	Mental Health	HRI Level III - 4 Beds or less		15744		3936	0.25
3	Tew, M.E	1	SWII	Mental Health	Assertive Community Treatment Team (ACTT), valid 3/20/06		15744		3936	0.25
4	Knott, Y	2	SW Supervisor	Mental Health	Mental Health Assessment		40590		10147.5	0.5
5	Knott, Y	2	SW Supervisor	Mental Health	Assertive Community Treatment Team (ACTT), valid 3/20/06		40590		10147.5	0.25
6	Knott, Y	2	SW Supervisor	Mental Health	DMH Outpatient Treatment Group		40590		10147.5	0.25
7	Perry, Q	5	QDDP	Mental Health	Other Direct Support		14260		7130	0.5
8	Rogers, M	16	Medical Records	Mental Health	General Support		26908		6727	1
9	Charge, N	6	Prog Manager	Mental Health	Other Direct Support		42312		10578	1
10	Mann, D	7	LME Director	Admin	Administration		104800		26200	1
11	Bass, C	8	Admin Asst	Admin	Administration		24890		6222.5	1
12	Counter, B	9	Accountant	Admin	Administration		37335		9333.75	1

Figure 16

The main thing about setting up the spreadsheet for the import feature to work are the title names at the top of each column (shown in bold print) and they have to match the names the application is expecting. Again, these exact names can be found in Appendix AC. The name keyed into the "CostCenter" column of the user's spreadsheet should match the cost center names used on the Cost Center Expense screen.   The service identified in the "ServiceObjective" column must match the services listed on Appendix M, using the name of the service only. The "CostCenter" and "ServiceObjective" columns are not case sensitive when uploaded into the application, but otherwise have to be identical to the cost center and service name in spelling and spacing. If the cost center and service names do not match exactly, on the Personnel screen the field will be blank and a cost center and/or service will have to be picked using the drop down box. The spreadsheet file does not have to be a specific name and doesn't have to be located in a specific directory. Also notice from the example given above, that not all the columns on the Personnel screen have to be shown. In the example above, Travel Hours (Travelhrs) and Training Hour (Traininghrs) columns have been left out. The columns also don't have to be in any specific order for the file to import. As long as the column headings match, it doesn't matter what order they are in. Another thing to remember, there can be no blank columns between named columns.

Note: The spreadsheet import fuction can be used as many times as needed and the Personnel screen doesn't have to be blank to use it. If the same spreadsheet file is imported more than once, it does not over write the first import, it tacks the second import on at the bottom, so the same people will now have multiple/duplicate entries, so be careful. If this happens it might be best to use the Delete All button to clear the Personnel screen and import the file again.

From the Personnel screen click on the **Import** button (see figure 11 above on page 29). A Windows box like the one on the right pops up. Use the "Look in" box at the top to get to the directory where the personnel Excel file is saved and highlight the file as shown and click **OK.**   After clicking on **OK** the information in the Excel spreadsheet will be showing on the Personnel screen.
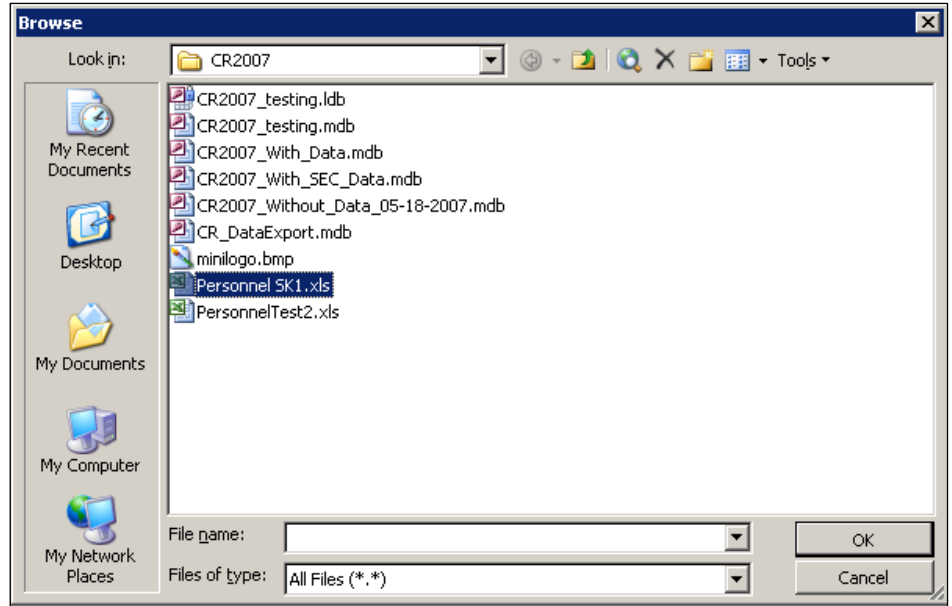
A couple more notes to remember about this feature. If additional employees have to be added after the import feature was used, the additional employees could either be directly keyed into the application under **Personnel** or imported from an additional file.

When using the import feature on the Personnel screen, if the error message on the right pops up, it means someone in the imported spreadsheet didn't have anything in the Hours Worked or FTE column and that record(s) was not imported, all other employees were. As the message shows, it doesn't say how many employees or which ones were not imported. Either key in the missing employees directly on the Personnel screen or go back to the import spreadsheet, fix the employee(s) where there were no hours worked or FTEs, do a **Delete All** on the Personnel screen and import the spreadsheet again. If any other message pops up when trying to import make sure: the column headings on the import spreadsheet match the ones on Appendix AC; also that the import spreadsheet doesn't have any extra blank rows at the bottom or blank columns to the right.
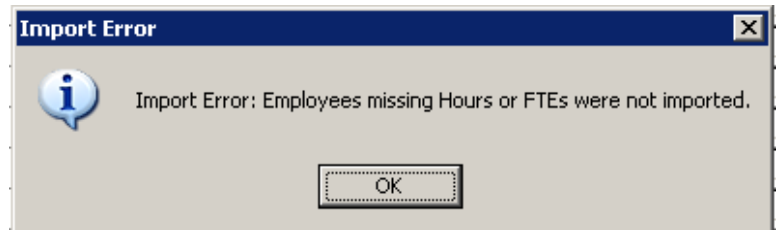
Personnel – Important things to remember

Here are some final reminders about the Personnel screen:
1. The Total Wages column contains the gross salaries paid to employees.
2. The Benefits column contains the employer's portion of federal and state taxes that have to be paid because they employ personnel. It would also include any money the employer puts towards the employees health insurance premiums, matching funds to a retirement account or workers comp.
3. If an employee provided more than one service they need a line for each service they provided.
4. If an employee changed licenses during the year, their hours worked for the first license will need to be put in and their hours worked for the new license will need to be put on another line. Again this is because of the tiered rates that are coming. Even if the service provided with the first license and the second license are the same service, there should still be separate personnel entry for each license.
5. If the employee provided more than one service in the same cost center, the wages and benefits should be the same amount for each service.

6. If the employee provided more than one service in different cost centers, the wages and benefits should be split proportionally based on the total FTE for each cost center.

7. Employees who provide the same service, in the same cost center, with the same title and license can be grouped together on one line. Add all the hours, wages and benefits together, but information will need to be provided to identify the individual members of this group. The Controller's Office doesn't need to know each individual in the group's wages, benefits or hours. We do need the group members to be identified by name or staff number on the Supplemental Forms workbook tab 10-Notes (Appendix L). Just so if an auditor comes a year or two from now and wants to see the personnel records for these grouped employees, they can be easily pulled. Better to note it now on tab 10-Notes then to try to remember who these employees were two years from now.

8. Every entry on the Personnel screen **has to have** an FTE, even if it is as small as .001. When using the Hours Worked column enter 1 or 2 hours and that will calculate the FTE at .001.

9. If a cost center has no personnel costs but does have non personnel costs, a Dummy Employee needs to be added on the Personnel screen to allocate the non personnel costs. The wages and benefit columns can be zero, the hours worked needs to be 1 or 2 hours to calculate an FTE of .001, the title and/or name can be Dummy Employee, assign this dummy employee to the cost center with only non personnel costs and assign the service to what ever closely matches the cost placed in there.

10. The lumped services in the cost report:
    a. CPT Codes – CPT stands for Current Procedural Terminology Code. All CPT codes start with a 9, some examples would be 90801, 90772, 97003 etc. CPT codes rates are not set using this cost report so therefore the expenses for these services are lumped together. In the Supplemental Forms workbook tab 2-CPT Detail (Appendix L) is where the provider tells the Controller's Office what CPT codes they use. Tab 2-CPT Detail does not have H, T or S codes on it, only codes that start with a 9. Do not add the H, T or S codes to this form. CPT codes are event services so providing 1 service is 1 unit in the cost report. If the Unit Screen shows 10,000 CPT events, then tab 2-CPT Detail should show which codes made up those 10,000 events. If the agency doesn't provide CPT code services then put NA at the top of the form.
    b. Non Medicaid – This is where expenses that have nothing to do with the services in our service list are put, even if that service is paid by Medicaid. For instance H0036 HI is a code a provider can bill Medicaid and receive Medicaid reimbursement for. However that service is not in the service list for this cost report, so the expense for providing that service should be coded as Non Medicaid. Some other examples would be IPRS services (ADAT, Room & Board, Group Living Low, etc.) or the accrual salary expense paid this year for last years time. If this service is in the cost report, the Supplemental Forms workbook tab 5-Non Medicaid (Appendix L) needs to be filled out to show the detail of what expenses are lumped together in this service. Tab 5-Non Medicaid should match Schedule 2 in dollars and also in units are required for this service. Put NA at the top of Form 5 if this service is not used by the provider.
    c. General Non-UCR – Non-UCR stands for Non Unit Cost Reimbursement. This is where the expenditures for any Grants the provider receives from the feds, state or other private industries. This money was received from an out side source for the provider to spend to do something. This expenditure needs to be accounted for because the expenditure is reflected in the financial statements, so it would be reflected under this service. If this service is in the cost report, the Supplemental Forms workbook tab 6-General Non UCR (Appendix L) needs to be filled out to show some detail of what expenses are lumped together in this service. Tab 6-General Non UCR should match Schedule 2 in dollars and also in units are required for this service. Put NA at the top of Form 6 if this service is not used by the provider.

11. The Administration service can be used in any cost center. However in an Administration cost center (where the Admin Cost Center box is checked on the Cost Center Expense screen) the only service that can be assigned to personnel is the Administration service.

12. The General Support service can be used in any direct care cost center. However in a General Support cost center (where the General Support Cost Center box is checked on the Cost Center Expense screen) the only service that can be assigned to personnel is the General Support service. This is for a direct care service employee where the duties of the person can not be narrowed down to one service or one cost center.

13. The System Management service can **only** be used by LME providers. This service can also be used in any cost center. However in a System Management cost center (where the System Management Cost Center box is checked on the Cost Center Expense screen) the only service that can be assigned to personnel is the System Management service.

14. Other Direct Support service is for a direct care service employee that can be assigned to one cost center but the duties of the person can not be narrowed down to any specific services within that cost center.
15. If other professional cost items are involved in direct care, the report will be more accurate if the respective FTEs are calculated by dividing the hours paid by the available hours. If the other professional cost is associated with items that are not direct care, .001 FTEs should be used
16. It is important to remember that personnel costs need to be applied as close to the service as possible to get an accurate amount on how much it cost to provide services. However if other Personnel costs are coded to the 1XX Personnel account on the chart of accounts, but these costs are not directly associated with a particular person or position, these costs should still be listed on the Personnel screen. They must also be assigned as Administration or Other Direct Support. These costs can be added by listing the item (i.e. Board expenses, Other Professional, Workers Comp, etc.) in the name and/or title field, placing 1 or 2 hours in the Hours Worked column or <u>0.001</u> in the FTE column, and placing the cost in the Total Salary or Total Benefit column as appropriate. (See an example line from the Personnel screen shown below for Workers Comp) DO NOT PLACE THESE COSTS IN THE NON-PERSONNEL COST TOTAL.

Staff ID	Name	Title	Cost Center	Service	Hours Worked	FTEs	Total Wages	Benefit %	Benefits	Travel Hours	Training Hours
1000	WORKERS COMP	NON STAFF BENEFITS	SEC Direct Services	General Non-UCR Exper		.001	0.00		19,325.00		

CONTRACT PROVIDERS

Next click on the **Contract Providers** link, and the screen should look like the one below.

Figure 17

Just like the Personnel screen discussed earlier, in years past, there were two screens for contract provider information to be entered on. The main screen looked similar to figure 17. Then on another screen, contract providers were assigned to the services they provided. We tried to make this simpler by performing these two tasks at the same time.

If a contract provider provided more than one service, that provider will need to be entered multiple times. If a contract provider provided the same service, but in two different cost centers, that provider will need to be entered twice. If the organization doesn't have any contract providers then just leave this screen blank.

For each service a contract provider provided, please enter the following information:

Provider ID: This is an alphanumeric field. By giving the provider an ID number that is used each time they are keyed into the application, it will allow the user to verify whether the total amount paid to them came out correctly. The numbering system can be as easy as 1, 2, 3, or if the organization has an internal contract ID, maybe that can be used.

Provider Name: The name of the provider organization contracted with. The default sort is alphabetic by this column.

Cost Center: This field has never been on the Contract Provider screen before, but by adding this, it allows the contract expense to stay in the expense or cost center it was paid out of.

Service Objective: Choose from the list of services available from the drop down box. This should be the service the provider was contracted to perform. The Administration, General Support and Other Direct Support services can not be used on this Contract Provider screen. ***This is for direct care services _only_***.

Units: Key the total number of units provided by the contract provider.

Amount Paid: The total dollar amount paid to the contract provider for the service shown in the Service Objective column.

Contract Providers - Special Feature - Sorting

As mentioned above, the default sort for the Contract Providers screen is by the Provider Name, however this can be changed just by a single click on the name of any column: **Provider ID, Provider Name, Cost Center, Service Objective, Units** or **Amount Paid**. When this is done the screen will resort by the selected heading, in ascending order. However, leaving the Contract Providers screen and returning will cause the sort to revert to the default sort by the Provider Name column.

Contract Providers - Special Feature - Filtering

The Contract Provider screen can also be filtered to narrow down the scope of the information shown on the screen. Let's say there are 250 lines on this screen, but the user wants to only look at those contracts provided by CNC/Access. Find the first CNC/Access line and tab or click so the cursor is sitting beside the CNC/Access name. Do a right click on the mouse and a little box will pop-up as seen in figure 18.

Figure 18

Contract Providers

| | Main | Cost Center Expenses | Non Personnel Cost Assignment | | Personnel | Units | Reports |

Provider ID	Provider Name	Cost Center	Service Objective	Units	Amount Paid
	CHILD DEVELOPMENT CENTER	Contracts for Direct Care ▼	CPT Codes ▼	404.00	18,591.79
	CHILD DEVELOPMENT CENTER	Contracts for Direct Care ▼	T1017 HI - Targeted CaseManagement ▼	1,088.00	24,654.08
	CHILD DEVELOPMENT CENTER	Contracts for Direct Care ▼	▼	12,100.00	125,719.00
	CNC/ACCESS	Contracts for Direct Care ▼	▼	20,756.00	149,509.83
	CNC/ACCESS		▼	60.00	1,359.25
	CNC/ACCESS		▼	44,121.00	458,417.19
	CNC/ACCESS		▼	77,908.00	435,505.72
	CNC/ACCESS		T1017 HI - Targeted CaseManagement ▼	17.00	385.22
	COASTAL ENTERPRISES		▼	53,111.15	95,050.00
	COASTAL HORIZONS CENTER		H0004 HR - DMH Outpatient Tx Family Therapy w. ▼	166.00	3,586.00
	COASTAL HORIZONS CENTER		▼	13,716.00	116,087.30
	COASTAL HORIZONS CENTER	Contracts for Direct Care ▼	General Non-UCR Expenditures ▼	0.00	878,930.00

Pop-up menu:
- Filter By Selection
- Toggle Filter
- Find...
- Replace...
- Calculator
- Copy
- Paste

When **Filter by Selection** is chosen, now only those services provided by CNC/Access will be shown.

Contract Providers

| | Main | Cost Center Expenses | Non Personnel Cost Assignment | | Personnel | Units | Reports |

Provider ID	Provider Name	Cost Center	Service Objective	Units	Amount Paid
	CNC/ACCESS	Contracts ▼	Case Management, valid 7/1/05-3/19/06 ▼	60.00	1,359.25
	CNC/ACCESS	Contracts ▼	Community Psychiatric Supportive Tx (All Other-P ▼	44,121.00	458,417.19
	CNC/ACCESS	Contracts ▼	Community Psychiatric Supportive Tx (Paraprofes ▼	77,908.00	435,505.72
	CNC/ACCESS	Contracts ▼	Targeted CaseManagement ▼	17.00	385.22
	CNC/ACCESS	Contracts ▼	Non Medicaid Services ▼	20,756.00	149,509.83
		▼	▼		

To get the Contract Provider screen to again show all providers, do the right click on the mouse again and choose **Toggle Filter**. That will turn off the filter and the screen will show all available contract providers again. This feature can be used in any column in the Contract Providers screen. The cursor only needs to be in the field to be filtered. The filter will automatically turn off when the screen is exited. When the user returns to the Contract Providers screen, it will come up with all provider data.

Notice in the pop-up box with **Filter by Selection** and **Toggle Filter**, the user is able to use the **Find, Replace, Copy** and **Paste** features available in any Microsoft application. The user can also open and use the Microsoft on screen calculator.

Contract Providers – Import, New, Delete, Delete All

At the bottom of the screen there are four buttons labeled **Import, New, Delete** and **Delete All.**

Clicking on the **New** button, will take the user to a blank line at the bottom of the screen to add the next provider to the list.

Clicking on the **Delete** button will delete the provider where the cursor is sitting. There will be no warning message it will just deleted the provider from the screen. If the provider was deleted by mistake, they will need to be re-keyed

By clicking on the **Delete All** button, a message box that looks like the one on the right will pop up. If **Yes** is clicked, all providers shown on the Contract Provider screen have been deleted. If **No** is clicked, nothing will happen. This **Delete All** button is in case the user started keying in providers and later decided to use the **Import** button feature and wants to start all over.
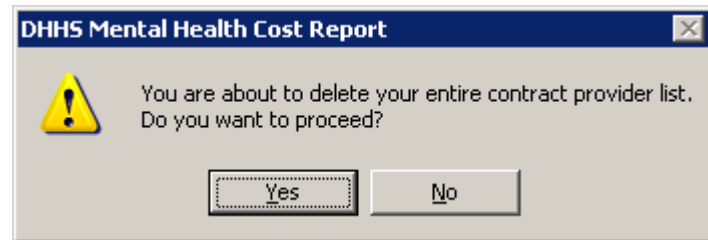
The **Import** feature is an alternative to entering contract information into the application as explained above. **Import** will allow the user to import the contract information from an Excel spreadsheet. The Excel spreadsheet does have to be set up in a specific way. An example is shown below. A larger version of this example can be found in the appendices, Appendix AD.

	A	B	C	D	E	F
1	**ProviderName**	**ProviderID**	**ServiceObjective**	**CostCenter**	**Units**	**ContractDollars**
2	Advancement Services		DMH Outpatient Treatment Group	Contracts for Direct Care	45	1019.7
3	For a Break, Inc		Other Not Cost Found	Contracts for Direct Care	2	53.22
4	Lindsey & Assoc		Community Support - Individual - Adult, valid 3/20/06	Mental Health	18	274.32
5						

The main thing about setting up a spreadsheet for the import feature to work are the title names at the top of each column (shown in bold print) and they have to match the names the application is expecting. Again, these exact names can be found in Appendix AD. The name keyed into the "CostCenter" column of the user's spreadsheet should match the cost center names on the Cost Center Expense screen. The service identified in the "ServiceObjective" column must match the services listed on Appendix M, using the name of the service only. The "CostCenter" and "ServiceObjective" columns are not case sensitive when uploaded into the application, but otherwise have to be identical to the cost center and service name in spelling and spacing. If the cost center and service names do not match exactly, on the Contract Provider screen the field will be blank and a cost center and/or service will have to be picked using the drop down box. The spreadsheet file does not have to be a specific name and doesn't have to be located in a specific directory. Also notice from the example given above, that the columns are not in the same order as on the Contract Provider screen nor do all the columns have to be on the spreadsheet. As long as the column headings match, it doesn't matter what order they are in. Another thing to remember is there can be no blank columns between named columns.

Note: The spreadsheet import fuction can be used as many times as needed and the Contract Provider screen doesn't have to be blank to use it. If the same spreadsheet file is imported more than once, it does not over write the first import, it tacks the second import on at the bottom, so the same providers will have multiple/duplicate entries, so be careful. If this happens it might be best to use the Delete All button to clear the Contract Provider screen and import the file again.

From the Contract Provider screen click on the **Import** button (see figure 17 on page 36). The Windows box shown in figure 19 will pop up. Use the "Look in" box at the top to get to the sub-directory where the provider file is saved and highlight the file as shown and click **OK.** After clicking on **OK** the information on the Excel spreadsheet will be on the Contract Provider screen.

A couple more notes to remember about this feature. If additional contract providers have to be added after the import feature was used, the contract providers can be directly keyed into the application under **Contract Provider** or imported from an additional file.
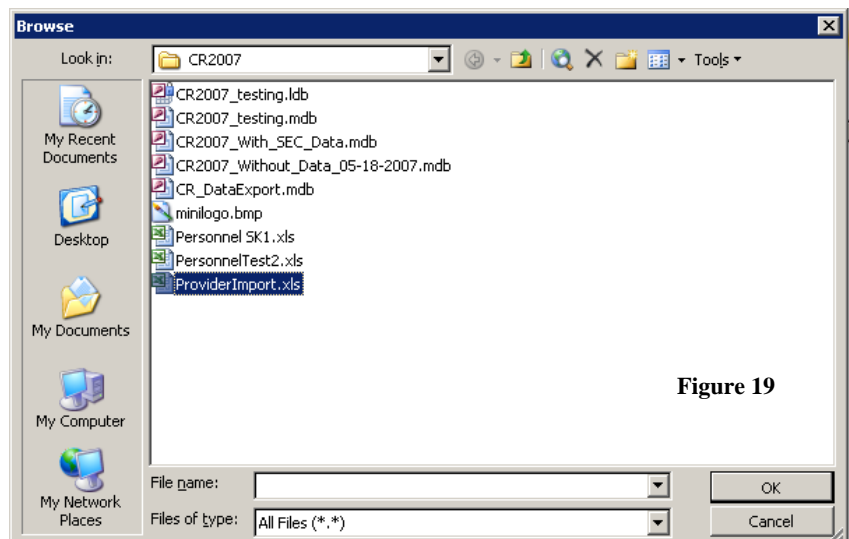

Figure 19

Contract Providers – Important things to remember

Here are some final reminders about the Contract Providers screen:
1. This screen is for providers who provided direct care services **only**. This is not for administrative contracts (examples may be accounting, audits, lawn or housekeeping services). The services Administration, Other Direct Support and General Support <u>can not</u> be used on this screen. The expense for administrative type of services should still be shown on the 6xx line of the cost center where the expense is accounted for but it is not reflected on this screen. Any difference between the total Amount Paid column and the Total column, 6xx line on the Accountant Review Worksheet report should be explained on the Supplemental Forms workbook tab 10-Notes (see Appendix L).
2. The question of "Where do 1099 paid 'employees' go?" comes up a lot. The answer depends on where does the expense for 1099 'employees' show up in the financial statements. If the expense for 1099 'employees' shows up in the personnel expense on the financial statements, then these 'employees' need to be shown on the Personnel screen. If the expense of for 1099 'employees' shows up on a contract line on the financial statements, then as long as that 1099 'employee' provided a direct care service to a client, the expense would go on the Contract Provider screen

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UNITS

The **Units** screen should look like figure 20 when viewed for the first time.

Click on the **Update** button at the bottom of the screen. This will bring up only the services assigned to employees on the Personnel screen and providers on the Contract Providers screen. If a service is not showing on this screen and it should be, then it needs to be assigned to an employee (see Personnel on page 29) or to a provider (see Contract Provider on page 36).

Figure 20

Actual Units **-** Enter the actual units provided to correspond to the cost incurred. This is the total units per service for the organization. The user should enter all units provided regardless of the funding source or whether units received reimbursement or not. The units here should match the detail actual units provided to the Controller's Office by the provider. See the unit memo in Appendix E for more information.

Units Above Contract – The units that go in this column are units provided by a contract agency during the current cost reporting year which are above and beyond the original units contracted for and paid. This is not for units provided internally. These are units the organization contracted someone else to do for their clients. DO NOT INCLUDE UNITS FROM THE PREVIOUS YEAR THAT WERE NOT PAID FOR UNTIL THE CURRENT YEAR.

Total Units – Calculates and displays the sum of the Actual Units and the Units Above Contract columns.

Should other service(s) be assigned or deleted after the **Update** button was clicked the first time, need to click on it again. This will add or delete the service(s) automatically to or from the screen.

Units – Important things to remember

Here are some final reminders about the Units screen:
1. There is no need to use the drop down box to bring up each service. Instead, hit the **Update** button on the bottom of the screen. This function will bring up all services assigned to employees on the Personnel screen or contract providers on the Contract Providers screen.
2. Enter <u>ALL</u> units. It does not matter if the services was paid, paid by Medicaid or another funding source, or denied. If the service was provided, an expense was generated to pay someone for providing that service, then count the unit.
3. For the "definition" of a unit for each service, look at Appendix M. In the "Billing Unit" column of that spreadsheet it shows what is considered 1 unit. For a 15 min billing unit, for an hour of service, that translates into 4 units = 1 hour. For a Daily billing unit, 1 unit = 1 day. For an Event billing unit, 1 unit = 1 event of the service. If a service has the billing unit of NA or an asterisk (*), there is no unit required.
4. The "Units Above Contract" column is used for units that exceed the total units to be provided per the contract. For an example an outside provider was contracted to do 500 events of CPT services, but instead they did 700. The contract was specifically for 500 events at X amount of dollars. Just because 200 extra events were provided, the outside provider did not get paid any additional money than what was already agreed upon. So the 500 events would go in the "Actual Units" column, and the additional 200 events (again where no additional money was given to pay for these units) should be in the "Units Above Contract" column. This column as nothing to do with units that were not authorized, or provided internally.
5. The detail actual unit data has to be submitted by the provider with their cost report. This information is submitted in a separate data base or Excel worksheet file. Appendix E is the memo that explains the data that is needed. In the end the summary of all the detail actual units in total is what should be on the Units screen.

Note: The following services may or may not have units:
General Non-UCR Expenditures, Non Medicaid Services, CAP – Augmentative Communication Devices, CAP – Home Modifications, CAP – Specialized Equipment and Supplies, CAP – Transportation and CAP – Vehicle Adaptations.

NON PERSONNEL COST ASSIGNMENT

On the Non Personnel Cost Assignment (formally called the Special Items) screen, this is where the application allocates the non personnel expenses (2XX – 8XX expenses) to services assigned to the cost center based on FTE percentages. It is completely possible that users will have no reason to look at this screen, unless a figure needs to be updated manually. The screen below (figure 21) is what it may look like when first opened.

Figure 21

Non Personnel Cost Assignment

If the screen name is chosen off of the yellow task bar, the screen will open showing the first cost center in the list, in this case the cost center called Administration. To get to this screen from the Cost Center Expense screen, chose Manually Allocate Non Personnel Costs from the blue margin on the left side of the screen. If the user has one of their cost centers showing on the screen, when they chose Manually Allocate Non Personnel, that same cost center will automatically come up on the Non Personnel Cost Assignment screen. To choose another cost center, either type the first couple of letters of the cost center name, or use the "Cost Center" drop down box. Once a cost enter name is chosen, under the titles Travel, Accreditation, Rent, Interest, Fixed and Moveable Asset Depreciation and Net Remaining Costs, the same numbers shown on the Cost Center Expense screen for these same fields, will be brought over.

If the cost center chosen has no direct care services assigned through the Personnel screen, like an administrative cost center. How can the user tell there are no direct care services assigned to this cost center? Because there are no services listed under the Services Provided heading. If there should be services assigned to the cost center, then go back to the Personnel screen to assign someone to this cost center with a service (see Personnel on page 29). **NOTE:** Administrative services like Administration, General Support, and Other Direct Support will not have services shown on this screen. This screen only shows direct care services.

The cost center shown in figure 21 is the Administration cost center and because the Admin Cost Center box was checked on the Cost Center Expenses screen so these Non-Personnel costs will be allocated by the system across all services provided.

Figure 21a is an example of a cost center where some direct care services were provided.

Figure 21a

Non Personnel Cost Assignment

| Main | Cost Center Expenses | Personnel | Contract Providers | Units | Reports |

Cost Center
Mental Health ▼

		Travel	Accreditation	Rent	Interest	Fixed Asset Depreciation	Movable Asset Depreciation	Net Remaining Costs
		0.00	3,000.00	3,000.00	1,000.00	2,500.00	0.00	28,630.00
Remaining to be allocated:		0.00	0.00	0.00	0.00	0.00	0.00	0.00

Services Provided		FTEs	FTE %	Travel	Accreditation	Rent	Interest	Fixed Asset Depreciation	Movable Asset Depreciation	Net Remaining Costs
H0040	Assertive Community Treatment Te	0.5	0.3333		1,000.00	500.00	333.33	833.33		9,543.33
H0004 HQ	DMH Outpatient Treatment Group	0.25	0.1667		500.00	250.00	166.67	416.67		4,771.67
H0019	HRI Level III – 4 Beds or Less	0.25	0.1667		500.00	250.00	166.67	416.67		4,771.67
H0031	Mental Health Assessment	0.5	0.3333		1,000.00	2,000.00	333.33	833.33		9,543.33
Total		1.5			3,000.00	3,000.00	1,000.00	2,500.00		28,630.00

Save   Cancel   Reset

The expenses shown under the Travel, Accreditation, Rent, Interest, Fixed and Moveable Asset Depreciation columns are allocated based on the FTE % column beside each service. This FTE information comes from the Personnel screen FTE column.

Take a look at the Rent column in figure 21a, in this example the user needed to directly assign cost to a specific service. To do that, just change the number to the desired amount. When it's done, the number will change to a blue colored text identifying it as a manual changes. Then to reallocate any amount left on the "Remaining to be Allocated" line to be redistributed to the rest of the services based on a revised FTE percentage just double click on any figure in the same column.

If there is ever a figure in the "Remaining to be Allocated" line, it is an error. When all expenses are allocated to the services shown, the "Remaining to be Allocated" line should be zero. In figure 21a above all the columns are correct, because all costs were allocated to the four services and a zero is in the "Remaining to be Allocated" line.

At the bottom of the screen are the buttons **Save, Cancel** and **Reset.** The **Save** button will save the information entered on the screen, however the information is automatically saved when the screen is exited whether the **Save** button was pressed or not. The **Cancel** button is like an undo and will reset the figures back to the amount they were when the Save button was last clicked or when the screen was entered. **Reset** will reset the screen back to the original allocation based on the FTE %. A message will pop up asking to confirm the resetting of the manual allocations.

Non Personnel Cost Assignment – Important things to remember
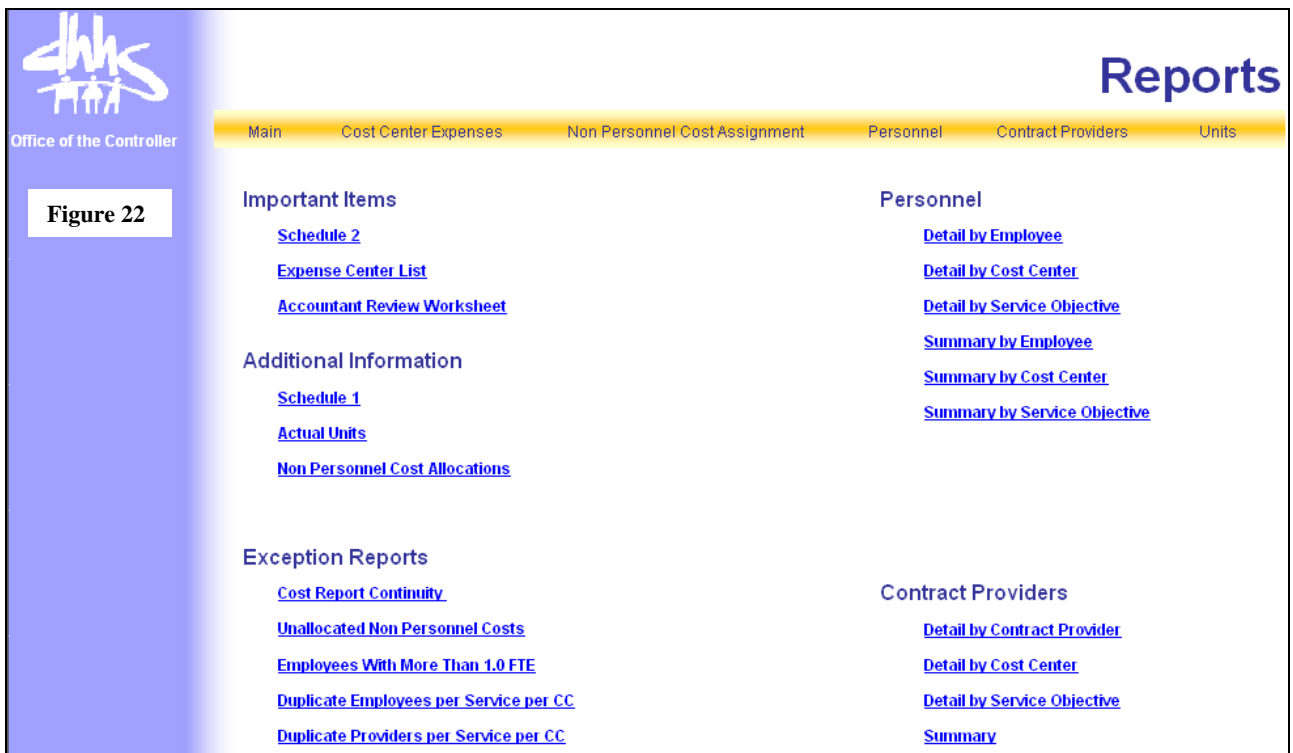
Here are some final reminders about the Non Personnel Cost Assignment screen:
1. This screen works all by itself and the user does not have to do anything on this screen for any cost center, unless the user wants to manually allocate a cost directly to a service.

REPORTS

The last link on the Main Menu is **Reports**. This screen displays as seen in figure 22.

Figure 22

Reports

Office of the Controller

Main   Cost Center Expenses   Non Personnel Cost Assignment   Personnel   Contract Providers   Units

Important Items
Schedule 2
Expense Center List
Accountant Review Worksheet

Additional Information
Schedule 1
Actual Units
Non Personnel Cost Allocations

Exception Reports
Cost Report Continuity
Unallocated Non Personnel Costs
Employees With More Than 1.0 FTE
Duplicate Employees per Service per CC
Duplicate Providers per Service per CC

Personnel
Detail by Employee
Detail by Cost Center
Detail by Service Objective
Summary by Employee
Summary by Cost Center
Summary by Service Objective

Contract Providers
Detail by Contract Provider
Detail by Cost Center
Detail by Service Objective
Summary

This screen shows the reports available. To choose a report, just click on the title and a few seconds later the report will come up. All the parameters for the reports are pre-set, so nothing has to be done with the fonts and page settings. These reports help to view the data entered on screens in different ways. Should anyone have a suggestion on other reports they would like to see, please let us know. When any of these reports are displayed it will look something figure 23 below.
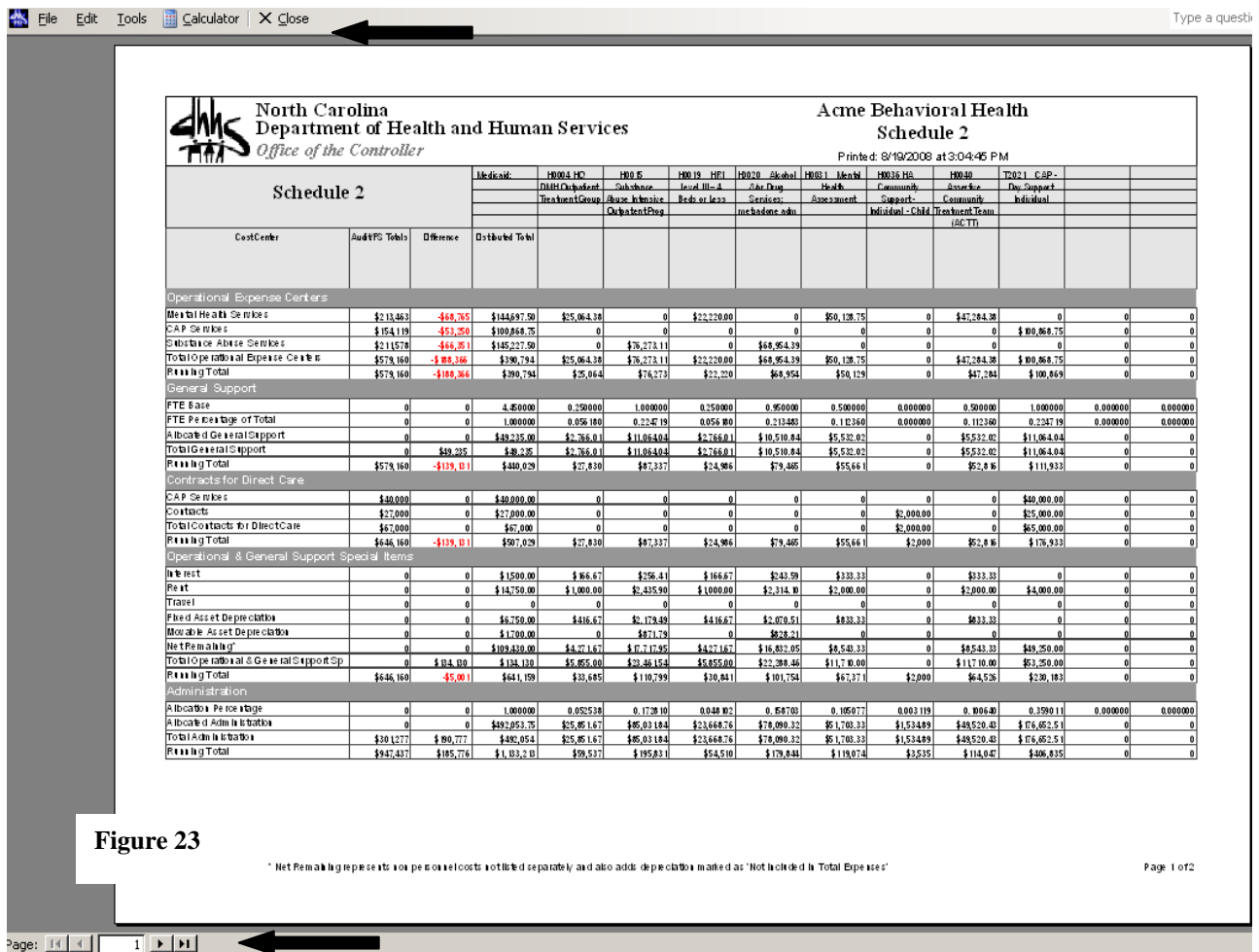
North Carolina
Department of Health and Human Services
Office of the Controller

Acme Behavioral Health
Schedule 2
Printed: 8/19/2008 at 3:04:45 PM

Schedule 2

CostCenter	Audit/FS Totals	Difference	Distributed Total	Medicaid: H0004 HO DMH Outpatient Treatment Group	H0015 Substance Abuse Intensive Outpatient Prog	H0019 HF1 level III-4 Beds or less	H0020 Alcohol Abr Drug Services; methadone adm	H0031 Mental Health Assessment	H0036 HA Community Support- Individual - Child	H0040 Community Service Treatment Team (ACTT)	T2021 CAP- Day Support Individual		
Operational Expense Centers													
Mental Health Services	$213,463	-$68,765	$144,697.50	$25,064.38	0	$22,220.00	0	$50,128.75	0	$47,284.38	0	0	0
CAP Services	$154,119	-$53,250	$100,868.75	0	0	0	0	0	0	0	$100,868.75	0	0
Substance Abuse Services	$211,578	-$66,351	$145,227.50	0	$76,273.11	0	$68,954.39	0	0	$47,284.38	0	0	0
Total Operational Expense Centers	$579,160	-$188,366	$390,794	$25,064.38	$76,273.11	$22,220.00	$68,954.39	$50,128.75	0	$47,284.38	$100,868.75	0	0
Running Total	$579,160	-$188,366	$390,794	$35,064	$76,273	$22,220	$68,954	$50,129	0	$47,284	$100,869	0	0
General Support													
FTE Base	0	0	4.450000	0.250000	1.000000	0.250000	0.950000	0.500000	0.000000	0.500000	1.000000	0.000000	0.000000
FTE Percentage of Total	0	0	1.000000	0.056180	0.224719	0.056180	0.213483	0.112360	0.000000	0.112360	0.224719	0.000000	0.000000
Allocated General Support	0	0	$49,235.00	$2,766.01	$11,064.04	$2,766.01	$10,510.84	$5,532.02	0	$5,532.02	$11,064.04	0	0
Total General Support	0	$49,235	$49,235	$2,766.01	$11,064.04	$2,766.01	$10,510.84	$5,532.02	0	$5,532.02	$11,064.04	0	0
Running Total	$579,160	-$139,131	$440,029	$27,830	$87,337	$24,986	$79,465	$55,661	0	$52,816	$111,933	0	0
Contracts for Direct Care													
CAP Services	$40,000	0	$40,000.00	0	0	0	0	0	0	0	$40,000.00	0	0
Contracts	$27,000	0	$27,000.00	0	0	0	0	0	$2,000.00	0	$25,000.00	0	0
Total Contracts for Direct Care	$67,000	0	$67,000	0	0	0	0	0	$2,000.00	0	$65,000.00	0	0
Running Total	$646,160	-$139,131	$507,029	$27,830	$87,337	$24,986	$79,465	$55,661	$2,000	$52,816	$176,933	0	0
Operational & General Support Special Items													
Interest	0	0	$1,500.00	$166.67	$256.41	$166.67	$243.59	$333.33	0	$333.33	0	0	0
Rent	0	0	$14,750.00	$1,000.00	$2,435.90	$1,000.00	$2,314.10	$2,000.00	0	$2,000.00	$4,000.00	0	0
Travel	0	0	0	0	0	0	0	0	0	0	0	0	0
Fixed Asset Depreciation	0	0	$6,750.00	$416.67	$2,179.49	$416.67	$2,070.51	$833.33	0	$833.33	0	0	0
Movable Asset Depreciation	0	0	$1,700.00	0	$871.79	0	$828.21	0	0	0	0	0	0
Net Remaining*	0	0	$109,430.00	$4,271.67	$17,717.95	$4,427.167	$16,832.05	$8,543.33	0	$8,543.33	$49,250.00	0	0
Total Operational & General Support Sp	0	$134,130	$134,130	$5,855.00	$23,461.54	$5,855.00	$22,288.46	$11,710.00	0	$11,710.00	$53,250.00	0	0
Running Total	$646,160	-$5,001	$641,159	$33,685	$110,799	$30,841	$101,754	$67,371	$2,000	$64,526	$230,183	0	0
Administration													
Allocation Percentage	0	0	1.000000	0.052538	0.173810	0.048102	0.158703	0.105077	0.003119	0.100630	0.359011	0.000000	0.000000
Allocated Administration	0	0	$492,053.75	$25,851.67	$85,031.84	$23,668.76	$78,090.32	$51,703.33	$1,534.89	$49,520.43	$176,652.51	0	0
Total Administration	$301,277	$190,777	$492,054	$25,851.67	$85,031.84	$23,668.76	$78,090.32	$51,703.33	$1,534.89	$49,520.43	$176,652.51	0	0
Running Total	$947,437	$185,776	$1,133,213	$59,537	$195,831	$54,510	$179,844	$119,074	$3,535	$114,047	$406,835	0	0

Figure 23

* Net Remaining represents non personnel costs not listed separately and also adds depreciation marked as 'Not Included in Total Expenses'

Page 1 of 2

When first viewed this way it is a little hard to read the screen. To enlarge the screen to see the numbers, print or close the report when finished, click the right mouse button. When the right mouse button is clicked, the box on the right will pop up. Use the Zoom drop down box to resize the report so numbers are large enough to be seen. To print the report, click on **Print** and when finished and ready to close the report, click on **Close**. The report can also be closed using the **Close** button at the top of the screen too.

Close
Print
Print Preview
Export...
Zoom: Fit
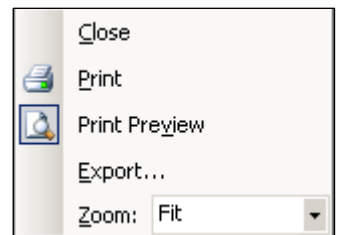
Schedule 2

Schedule 2 is the main cost report that displays all the information entered, allocates the costs to services and comes up with the cost per unit rate. Just think of this report as one long spreadsheet. It will show 10 services across the top and usually is at least two pages long. To get to the second page, click the arrow on the bottom of the screen. In prior years, this report could take several minutes to run, now it only take a few seconds. Figure 23 is a Schedule 2. The amounts shown in the Audit/FS Totals column should match to the audit/financial statements provided. The amounts shown in the Difference column are the adjustments made to the audit/financial statements, so don't get nervous if negative numbers appear. The Distributed Total column is the total amount distributed among all the services assigned. The rest of the columns are the individual services. A sample of this report can be found in Appendix U.

Schedule 1

Where the Schedule 2 report shows all the data entered for all cost centers, personnel, contractors, and services in the cost report application, Schedule 1 shows this same data for one cost center. To preview and then print these reports, click on the **Schedule 1** report and the box (figure 24) will appear.

Use the drop down arrow to choose the cost center to run a report on. When the cost center name is chosen, click on the **OK** button and the report will run. A cost center name does need to be chosen. If the **OK** button is pressed without picking a cost center, it will look like something is running but no

Figure 24

report will come up and will just take the user back to the Main Menu screen. Clicking on the **Cancel** button will take the user back to the Report screen. A sample of a Schedule 1 can be found in Appendix V.

Accountant Review Worksheet

Use this report to make sure the audit/financial statements balance with Schedule 2. Pretty much everything on this report can be transferred to the Supplemental Forms workbook tab 7-Recon Audit to CR (see Appendix L). Looking at the tab 7-Recon Audit to CR, everything between the "Total Expenditures per Audit" and "Total Expenditures per Audit less Adjustments" lines comes straight off this Accountant Review Worksheet report. The next line on tab 7-Recon Audit to CR, the "Total Expenditures per Cost Report" line, is entered by the user and comes off the Schedule 2 report. It tells you on the form where to find the number on Schedule 2, Distributed Total column, Total Costs for Rates line. The "Difference from Audit to Cost Report (should be $0") line on tab 7-Recon to CR is a calculated line and should be as close as possible to zero. If there is a difference, most of the time it will be a small difference due to rounding issues, but try to keep that number as low as possible. Again this Accountant Review Worksheet report along with the Supplemental Forms workbook tab 7-Recon Audit to CR is to help the user make sure their cost report balances to the financial statements. An example of this report can be found in Appendix W.

Personnel and Contract Providers Reports
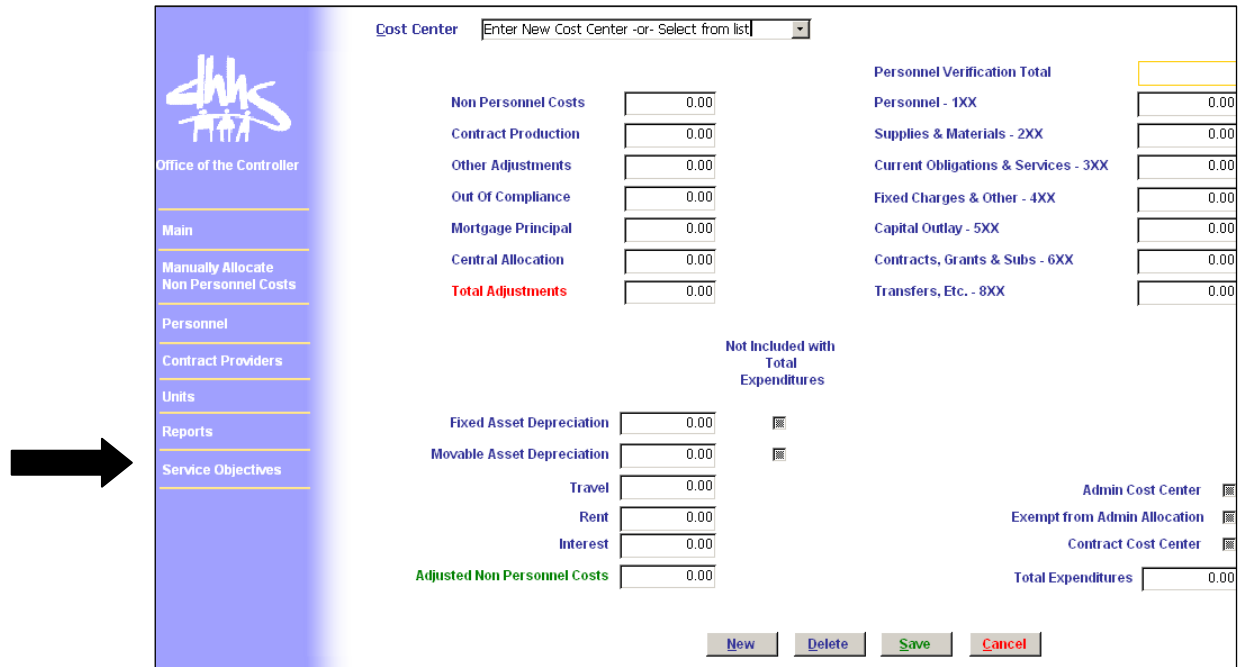
The various detail and summary reports under these two headings on the Report screens can be run by employee, contract provider, cost center or service just by the choice of the report name. When a report name is chosen, the report can be narrowed down even further to a specific employee, provider, cost center or service by using the drop down box (like the one shown with Schedule 1 above) or just click on the **OK** button. If the **OK** button is clicked with out narrowing down to an employee, provider, cost center or service, the report will run based on the report name chosen, but it will show all employees, providers, cost centers or services. Again, clicking on the **Cancel** button will take the user back to the Report screen.

Exception Reports

The reports under this heading will help in noting some exceptions within the cost report. The **Cost Report Continuity** report is to help find cost centers that have been named on the Personnel or Contract Providers screens that are not showing up as a valid cost center under the Cost Center Expenses screen. Maybe a name was mis-spelled or keyed in slightly different in some way. If something pops up on this report, look at the cost center (s) listed and check the Personnel, Contract Provider and Cost Center Expenses screens. The **Employees with More Than 1.0 FTE** report will show all employees with an FTE over 1.0. Any employee shown on this report needs to have an explanation for why the FTE is over 1 on the Supplemental Forms workbook tab 10-Notes (Appendix L). The **Duplicate Employees per Service per CC** report will tell you about employees who have been assigned the same service with the same license type more than once in the same cost center. When this happens the application doesn't know what to do, so it does nothing. Check to see if one of the entries is a duplicate and needs to be deleted or combine the two lines into one line. The **Duplicate Providers per Service per CC** report works the same way as the duplicate employee report.

SERVICE OBJECTIVES and SYSTEM MANAGEMENT

Under the Cost Center Expenses section (see page 23), it was explained that the items in the blue margin on the left were links to other data entry screens to the cost report, but there were one or two others to be discussed later. We are going to discuss them now. In figure 25 an arrow is pointing to **Service Objectives.** When this link is clicked, the screen will look like figure 26 below.

Figure 25

Figure 26

This screen shows all of the valid services and bill codes available in the cost report. On the right hand side is the column labeled "Exempt from Admin" with a check box for each service/bill code line. If for some reason a service/bill code needs to be exempt from administrative costs being added to it, then please put a check in the box beside the code and explain on the Supplemental Forms workbook tab 10-Notes (Appendix L) the reason why administrative costs should not be included with the service(s) marked here. The Administration and System Management services will automatically have a check in them and can not be changed. NOTE: This code will be exempt from administration for the whole database, not just for one cost center.

Remember back on the Main Menu screen there were two check boxes, one for Private Provider and one for LME. As a reminder, here is a copy of that screen.

As shown in this example, the check box beside LME is marked. When this check box is marked the following **Cost Center Expenses** screen shows the last link in the blue margin is now available. Figure 27 is a picture of that screen.

Figure 27

The last link now in the blue margin is System Management. If the Private Provider check box is marked then the Cost Center Expense screen will look like the one shown on page 23. When the **System Management** link is clicked, it will bring up this next screen:

Period	Claims Processing	QMPs	Other Non Capital Expenditures	Depreciation & Other Costs	Total
Jul 2007	0.00	0.00	0.00	0.00	0.00
Aug 2007	0.00	0.00	0.00	0.00	0.00
Sep 2007	0.00	0.00	0.00	0.00	0.00
Oct 2007	0.00	0.00	0.00	0.00	0.00
Nov 2007	0.00	0.00	0.00	0.00	0.00
Dec 2007	0.00	0.00	0.00	0.00	0.00
Jan 2008	0.00	0.00	0.00	0.00	0.00
Feb 2008	0.00	0.00	0.00	0.00	0.00
Mar 2008	0.00	0.00	0.00	0.00	0.00
Apr 2008	0.00	0.00	0.00	0.00	0.00
May 2008	0.00	0.00	0.00	0.00	0.00
Jun 2008	0.00	0.00	0.00	0.00	0.00
Totals	0.00	0.00	0.00	0.00	0.00

The columns shown are for each of the four parts of the Monthly LME Report of Expenditures report. Please put into each column for each month the amounts shown on your monthly report. The total line will correct to the final total when either the user exits and returns to the screen or the curser is placed on another line by using the mouse.

On the Cost Center Expenses screen (see figure 27) at the bottom there is also a "System Management Cost Center" check box to be checked if the cost center name contains the system management expenditures.

MAIN MENU – Exit, Export Data and Import Data

The last items to talk about on the Main Menu screen are the **Exit, Export Data** and **Import Data** buttons at the bottom of the screen. Let's take a look at the Main Menu screen again.

Main Menu – Exit

There are only two ways a user can exit out of the application. The fist way is to come back to the Main Menu screen and click the **Exit** button at the bottom of the screen. This will safely close up all the tables

Figure 28

and queries and keep the database from becoming to large. The other way to exit out of the application is to go up to the top of the screen and click on **File** and then **Exit.** Those are the only ways out of the application.

Note: If anyone should click on **File** and then **Close** and get a blank gray screen, the user will then need to click on **File** and then **Exit** to exit the application and restart the application it to get the screens back.

Main Menu – Export Data

The **Export Data** button takes the data the user has entered into the cost report application and saves it into a separate database file. It doesn't save the screens or menus that run the cost report application. It can't run any reports it just saves the data tables where data was keyed on the Cost Center Expense, Personnel, Contract Provider and Units screen. There are three reasons to use this button while working on the cost report.

The first reason or use for the **Export Data** button is to backup the data the user entered into the application. Remember to back up your data often and to save the file a second memory source. If the cost report is on the computer's C drive, save the file someplace like a flash drive, CD, diskette or server, this way if the hard drive of the computer crashes the data is saved somewhere else. If working off of a server, then save the information on a computer C: drive in case the server crashes.

The second reason or use for the **Export Data** button is in case corrections are made to the application. This is still a relatively new program. If the user ever calls the Controller's Office asking for help and is asked what version of the software is being used, look at the very top left hand corner of the computer screen and it will have something that looks like this. **DHHS Mental Health Cost Report v2.3 - [Main Menu]**

When this cost report was first released last fall the version number was v1.0. From the example given above, enough corrections were made to the software to get up to the v2.3. Considering all the revisions that were made to the old cost

report application, getting up to only 2.3 wasn't too bad. The Controller's Offices tries very hard to have an error free program when the application is released, but sometime things are found afterwards. If corrections are made during the year to the application, the Controller's Office doesn't want users to have to rekey data into a new program. So this **Export Data** button would be used to export the data already keyed into another database to be imported into the updated version of the program.

The third and last reason to use the **Export Data** button is when the user has finished entering their data and is ready to send to it to the Controller's Office on or before its due date. The Controller's Office doesn't need the whole program with its screens, menus, and reports to be sent. The Controller's Office already has the same program, we just need the user's data. So the **Export Data** button would be used to export the data into a database to be saved on a flash drive, diskette or CD to be sent to the Controller's Office along with all other required data.

When the **Export Data** button is pressed (see figure 28) and the Window browser on the right comes up. Use the "Save in" box to choose the directory, diskette, CD or flash drive where the user wants to save the exported file. Then use the "File Name" box at the bottom of the screen to name the file. If using this feature to back up the file, call it "Backup" with the date it was backup on included in the name. If using this feature to send it to the Controller's Office because it is complete, balanced and ready to be submitted, give the file the same name as the agency turning it in along with a date. When finished then click the **Save** button.
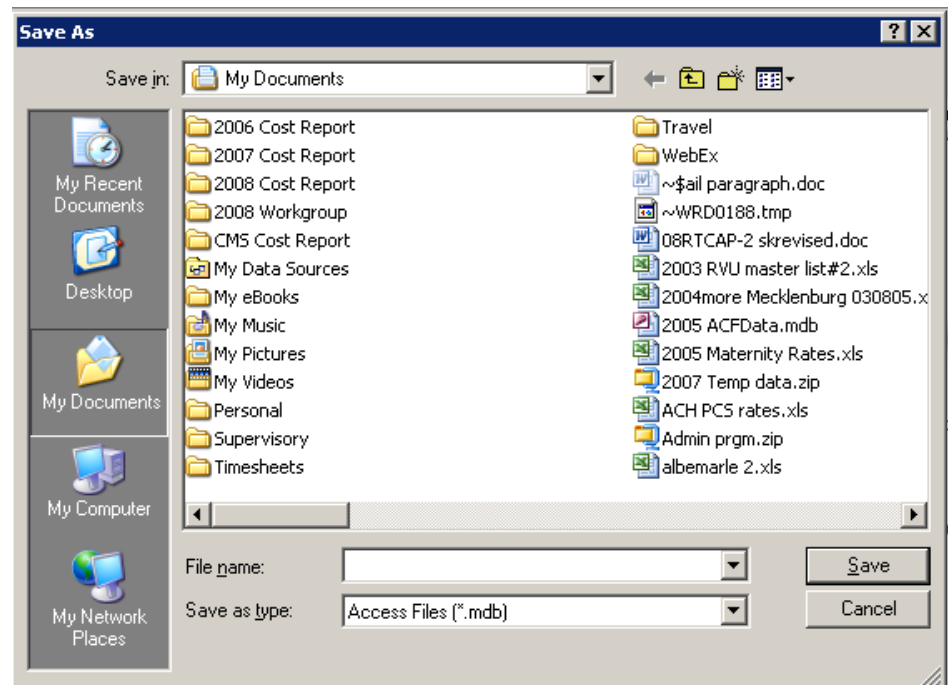
Main Menu – Import Data

The **Import Data** button on the Main Menu screen is not to be used to try to import personnel or provider Excel spreadsheets or data from prior year cost reports databases. The function for importing personnel and provider information is available on the Personnel and Contract Providers screens. This function is to import data that was exported through the **Export Data** button. If a problem with the application is discovered and fixed after the application is released. On the web site a date shows beside the application link when it was last updated. If the data on the web site is newer than when the user last downloaded the application, first use the **Export Data** button explained above and then download the updated version of the application. Once the user has downloaded the updated version of the application and opened it, the first thing to do would be to use the **Import Data** button. When this button is pressed, the Windows screen (figure 29) will come up.
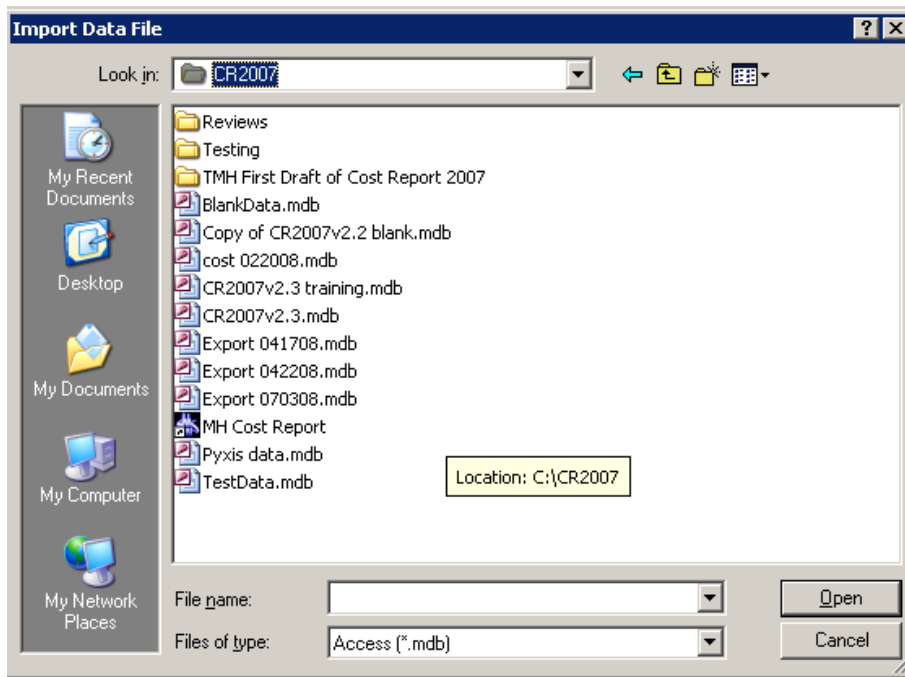
Figure 29

Use the "Look in" box to choose the location or directory where the export file is located at. Highlight the filename and then click on the **OK** button. The information exported earlier has now been added to the updated version of the application and the user is able to continue work on their cost report without re-keying anything.

ERROR CHECKING

♦ Important things to remember – Under the each of the main screen sections of the manual (Cost Center Expenses, Personnel, Contract Providers, Units, and Non Personnel Cost Assignment) there was a minor section called "Important things to remember". These are some helpful hints on some of the most common things users need to remember when using the program. By using these hints, it will help prevent or help in error checking the cost report.

♦ The **most common error** many providers are having – on the Cost Center Expense screen for each cost center, does the Personnel Verification Total box match the Personnel – 1XX box below. If it doesn't then the cost report is out of balance. The number being keyed in the Personnel – 1XX box is coming of the financial statements/audit. The number in the Personnel Verification Total box is coming from the Personnel screen.

♦ Enter explanation notes into the Supplemental Forms workbook tab 10-Notes worksheet (Form 10) when a dollar figure is entered in the Cost Center Expense screen box for Other Adjustments or in the Out of Compliance box. The Out of Compliance notes should reference the page of the audit, from which they come.

♦ Should only use "Units Above Contract" when units that were provided by a contract agency during the current cost reporting year are above and beyond the original units contracted. DO NOT INCLUDE UNITS FROM THE PREVIOUS YEAR THAT WERE NOT PAID FOR UNTIL THE CURRENT YEAR.

♦ On Schedule 2, Total Cost for Rates line, Audit/FS Totals column should match the Total Expenditures per Audit line of the Supplemental Forms workbook tab 7-Recon to Audit worksheet (Form 7) which should also match the financial statements Total Expenditures line.

♦ The Accountant Review Worksheet report on the Reports menu of the program can be used to fill out Form 7, which is a **mandatory** form. It will help the user fill out everything from the Total Expenditures per Audit line all the way down to the Total Expenditures per Audit less Adjustments line on Form 7. The Total Expenditures per Cost Finding line the number to be keyed in here comes directly off Schedule 2, Total Cost for Rates line, Distributed Total column. If the Difference From Audit to Cost Finding line should be as close to zero as possible. This is the best form to use in determining if the cost report balances or not. It is completely possible for this number to be as low as zero or a dollar. If the number is big, then data entered in the program needs to be corrected.

♦ On Schedule 2 - Does every service with costs have actual units and every service with actual units have costs? For other than the exceptions listed, these items with one of the two should not occur and should be corrected. The following services may or may not have units associated with them: General Non-UCR Expenditures, Non Medicaid Services, CAP-Augmentative Communication Devices, CAP-Home Modifications, CAP-Specialized Equipment and Supplies, CAP-Transportation and CAP-Vehicle Adaptations.

♦ Use the reports listed under the Exception Reports under on the Reports screen. Those can help a user to find errors

Reconciling other forms (supporting documents) with the Schedule 2 Summary:

♦ Make sure the total depreciation figures (Fixed Assets & Moveable Assets) from the depreciation schedules (Supplemental Forms workbook tabs 3-Moveable Asset Depr & 4-Fixed Asset Depr) match the total depreciation figures on Schedule 2 in the Special Items sections.

♦ For the "Total Actual Units" line on Schedule 2, do the total units shown for each service match the actual units data provided to the Controller's Office (see Appendix E for details)? If for some reason they do not match, a detailed worksheet needs to be provided to show the differences and explain them.

♦ On the CPT Detail Worksheet (Supplemental Forms workbook tab 2-CPT Detail), does the total number of CPT

Code units match the number shown on the "Total Actual Units" line of Schedule 2 for this service? This also needs to match the actual units data provided to the Controller's Office.

♦ Does the service column Non Medicaid Service on Schedule 2 match in both total units and dollars as shown on the Non Medicaid Service worksheet (Supplemental Forms workbook tab 5-Non Medicaid)?

♦ Does the service column General Non-UCR Service on Schedule 2 match in both total units and dollars as shown on the General Non UCR Service worksheet (Supplemental Forms workbook tab 6-General NonUCR)?

♦ Other error checking questions can be found on the Cost Report Review Worksheet (Appendix T) provided on the web site.

ALSO VERIFY THAT THE FINAL COST REPORT APPROPRIATELY ADDRESSES ALL THE QUESTIONS FOUND ON THE "COST REPORT REVIEW WORKSHEET" IN APPENDIX T BEFORE SUBMITTING THE REPORT, MAKE SURE THE COST REPORT COSTS RECONCILE TO THE AUDIT FIGURES AND ALL FORMS ARE COMPLETE BEFORE SUBMITTING THEM.

WHO TO CALL FOR HELP

For questions or problems regarding what items go where on the Cost Report application, or technical questions on the application, call Bill Caddell at the **DHHS Office of the Controller, Rate Setting Branch.**

Rate Setting:	**(919) 855-3681**	**Bill Caddell**
	(919) 855-3680	**Susan Kesler**
	(919) 715-3095	**Fax**

E-mail these individuals at **{Firstname.LastName@ncmail.net}**

Mailing Address (for regular mail):
DHHS Office of the Controller
Attn: Rate Setting Branch
2019 Mail Service Center
Raleigh, NC 27699-2019

Street Address (if Fedex or UPS):
DHHS Office of the Controller
Attn: Rate Setting Branch
1050 Umstead Drive
Raleigh, NC 27603

SUBMISSION OF COMPLETE REPORT

Please send completed materials to the Controller's Office. A detailed list of the items required is as follows:

NOTE: BOLDED ITEMS ARE REQUIRED AS PAPER COPIES (Items 1, 13 and 14).
Other items should be submitted electronically.

(1)   **Signed Transmittal Checklist Cover Sheet with contact info (Appendix L)**
(2)   CPT Detail Worksheet (Appendix L)
(3)   Schedule of Moveable Asset Depreciation (Appendix L)
(4)   Schedule of Fixed Asset Depreciation (Appendix L)
(5)   Explanation of "Other Non Medicaid Services" Costs (Appendix L)
(6)   Explanation of "General Non-UCR Expenditure" (Appendix L)
(7)   Reconciliation of Audit Costs to Cost Report Total Costs (Appendix L)
(8)   Schedule of Revenue by Source (Appendix L)
(9)   List of Contract Providers – for LMEs Only (Appendix L)
(10) Notes worksheet (Appendix L)
(11) Diskette, CD or Flash Drive Copy of Cost Report data file
(12) Diskette, CD or Flash Drive of Actual Units detail information (Appendix E)
(13) **A copy of the relevant pages of the County Cost Allocation Plan if costs are claimed in Cost Report** (not relevant to many if any private provider)**.**
(14) **Copy of audit, draft audit or financial statements if private provider. If a single county, also provide supplemental general ledger information to support the cost report expenditure figures.**

To submit all paper documentation & Diskette, CD or Flash drive information, please send it to:

Mailing Address (for regular mail):   Street Address (if Fedex or UPS):
DHHS Office of the Controller   DHHS Office of the Controller
Attn: Rate Setting Branch   Attn: Rate Setting Branch
2019 Mail Service Center   1050 Umstead Drive
Raleigh, NC 27699-2019   Raleigh, NC 27603

The cost report database, Supplemental Forms workbook and unit detail should be sent in an electronic format by CD, diskette or flash drive along with the paper documentation to the address above. All information must come in together.

All electronic (database, Supplemental and provider actual unit detail) **and paper documentation** (audit or financial statements and signed transmittal form) **must be received by the Controller's Office, Rate Setting Branch by the due date to be considered complete and on time**.

APPENDICES

ALL THE APPENDIX FILES MENTIONED IN THIS MANUAL ARE ON A SEPARATE LINK ON THE CONTROLLER'S OFFICE WEB SITE. THE APPENDICES' LINK IS LOCATED UNDER THE LINK FOR THE USER MANUAL. PLEASE PRINT AND REVIEW THE APPENDICES. THEY CONTAIN USEFUL AND HISTORICAL INFORMATION AS WELL AS THE ADDITIONAL FILES THAT MUST BE SUBMITTED WITH THE COST REPORT DATA.